



Ontario Energy Board Commission de l'énergie de l'Ontario

DECISION AND RATE ORDER

EB-2018-0035

GRIMSBY POWER INC.

Application for rates and other charges to be effective January 1, 2019

By Delegation, Before: Pascale Duguay

[date]

1 INTRODUCTION AND SUMMARY

Through this Decision and Order, the Ontario Energy Board (OEB) approves the incentive rate-setting mechanism (IRM) application filed by Grimsby Power Inc. (Grimsby Power) on August 13, 2018, as amended during the course of the proceeding.

Grimsby Power serves about 11,500 mostly residential and commercial electricity customers in the Town of Grimsby municipal boundaries. The company is seeking the OEB's approval for the rates it charges to distribute electricity to its customers, as is required of licenced and rate-regulated distributors in Ontario.

A distributor may choose one of three rate-setting methodologies approved by the OEB. Each of these is explained in the OEB's [Chapter 3 Filing Requirements for Incentive Rate-Setting Applications](#) (the Filing Requirements).

Grimsby Power's application is based on a Price Cap Incentive Rate-setting option (Price Cap IR) with a five-year term. The Price Cap IR option involves the setting of rates through a cost of service application in the first year. Mechanistic price cap adjustments, based on inflation and the OEB's assessment of the distributor's efficiency, are then approved through IRM applications in each of the ensuing four (adjustment) years.

As a result of the OEB's findings in this Decision, there will be a monthly total bill decrease before taxes of \$0.59 for a residential customer consuming 750 kWh, effective January 1, 2019.

Grimsby Power has also applied to change the composition of its distribution service rates. Residential distribution service rates currently include a fixed monthly charge and a variable usage charge. In 2015, the OEB issued a policy to transition these rates to a fully fixed structure over a four-year period beginning in 2016.¹ Accordingly, in 2019 the final upward adjustment, exceeding the mechanistic adjustment alone, in this decision has been made and now the distribution rates have transitioned to a fully fixed structure. There is no longer a variable usage rate for this class of customers. This policy change does not affect the total revenue that distributors collect from residential customers.

¹ OEB Policy – "A New Distribution Rate Design for Residential Electricity Customers." EB-2012-0410, April 2, 2015

2 THE PROCESS

This Decision is being issued by delegated authority, without a hearing, under section 6 of the *Ontario Energy Board Act, 1998* (the OEB Act).

The OEB follows a standardized and streamlined process for IRM applications filed under Price Cap IR. In each adjustment year of a Price Cap IR term, the OEB prepares a Rate Generator Model that includes information from the distributor's past proceedings and annual reporting requirements. A distributor will then review and complete the Rate Generator Model and include it with its application.

During the course of the proceeding, the Rate Generator Model will also be updated or corrected, as required. The Rate Generator Model updates base rates, retail transmission service rates and, if applicable, shared tax saving adjustments. It also calculates rate riders for the disposition of deferral and variance account balances.

Grimsby Power filed its application on August 13, 2018, under section 78 of the OEB Act and in accordance with the Filing Requirements. Grimsby Power supported its application with written evidence and a completed rate model. Questions were asked of, and answers were provided by, Grimsby Power through emails and phone calls with the OEB. Based on this information, a draft decision was prepared and provided to Grimsby Power on November 23, 2018. Grimsby Power was given the opportunity to provide its comments on the draft for consideration prior to the OEB issuing this Decision.

3 ORGANIZATION OF THE DECISION

In this Decision, the OEB addresses the following issues, and provides reasons for approving or denying Grimsby Power's proposals relating to each of them:

- Price Cap Adjustment
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Residential Rate Design

In the final section, the OEB addresses the steps to implement the final rates that flow from this Decision.

This Decision does not address rates and charges approved by the OEB in previous proceedings which are not part of the scope of an IRM proceeding (such as specific service charges and loss factor). No further approvals are required to continue to include these items on a distributor's Tariff of Rates and Charges.

4 PRICE CAP ADJUSTMENT

Grimsby Power seeks to increase its rates, effective January 1, 2019, based on a mechanistic rate adjustment using the OEB-approved ***inflation minus X-factor*** formula applicable to Price Cap IR applications.

The components of the Price Cap IR formula applicable to Grimsby Power are set out in Table 4.1, below. Inserting these components into the formula results in a 1.35% increase to Grimsby Power's rates: **1.35% = 1.50% - (0.00% + 0.15%)**.

Table 4.1: Price Cap IR Adjustment Formula

Components		Amount
Inflation Factor ²		1.50%
X-Factor	Productivity ³	0.00%
	Stretch (0.00% – 0.60%) ⁴	0.15%

The inflation factor of 1.50% applies to all Price Cap IR applications for the 2019 rate year.

The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that will vary among different groupings of distributors. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors with a tangible incentive to improve efficiency or else experience declining net income.

The productivity component of the X-factor is based on industry conditions over a historical study period and applies to all Price Cap IR applications for the 2019 rate year.

The stretch factor component of the X-factor is distributor specific. The OEB has established five stretch factor groupings, each within a range from 0.00% to 0.60%. The stretch factor assigned to any particular distributor is based on the distributor's total cost

² Ontario Energy Board 2019 Electricity Distribution Rate Applications webpage – Updates November 23, 2018.

³ Report of the OEB – “Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors.” EB-2010-0379, December 4, 2013.

⁴ The stretch factor groupings are based on the Report to the Ontario Energy Board – “Empirical Research in Support of Incentive Rate-Setting: 2017 Benchmarking Update”, prepared by Pacific Economics Group LLC., August 2018.

performance as benchmarked against other distributors in Ontario. The most efficient distributor would be assigned the lowest stretch factor of 0.00%. Conversely, a higher stretch factor would be applied to a less efficient distributor (in accordance with its cost performance relative to expected levels) to reflect the incremental productivity gains that the distributor is expected to achieve. The stretch factor assigned to Grimsby Power is 0.15%.

Findings

The OEB finds that Grimsby Power's request for a 1.35% rate adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Grimsby Power's new rates shall be effective January 1, 2019.

The adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes.⁵

5 RETAIL TRANSMISSION SERVICE RATES

Distributors charge retail transmission service rates (RTSRs) to their customers to recover the amounts they pay to a transmitter, a host distributor or both for transmission services. All transmitters charge Uniform Transmission Rates (UTRs) approved by the OEB to distributors connected to the transmission system. Host distributors charge host-RTSRs to distributors embedded within the host's distribution system.

Grimsby Power is partially embedded within Hydro One Network Inc.'s distribution system, and is requesting approval to adjust the RTSRs that it charges its customers to reflect the rates that it pays for transmission services included in Table 5.1 and Table 5.2.

⁵ Price Cap IR and Annual IR Index adjustments do not apply to the following rates and charges: rate riders, rate adders, low voltage service charges, retail transmission service rates, wholesale market service rate, smart metering entity charge, rural or remote electricity rate protection charge, standard supply service – administrative charge, transformation and primary metering allowances, loss factors, specific service charges, microFIT charge, and retail service charges.

Table 5.1: UTRs⁶

Current Approved UTRs (2018)	per kW
Network Service Rate	\$3.61
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.95
Transformation Connection Service Rate	\$2.34

Table 5.2: Hydro One Networks Inc. Sub-Transmission Host-RTSRs⁷

Current Approved Sub-Transmission Host RTSRs (2017)	per kW
Network Service Rate	\$3.19
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.77
Transformation Connection Service Rate	\$1.75

Findings

Grimsby Power's proposed adjustment to its RTSRs is approved. The RTSRs were adjusted based on the current UTRs and host-RTSRs.

The differences resulting from the approval of new 2019 UTRs or RTSRs will be captured in Accounts 1584 and 1586 for future disposition.

6 GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB will review a distributor's Group 1 deferral and variance accounts in order to determine whether their total balance should be disposed.⁸ OEB policy requires that Group 1 accounts be disposed if they exceed (as a

⁶ Decision and Order, EB-2017-0359, February 1, 2018

⁷ Decision and Order, EB-2016-0081, December 21, 2016

⁸ Group 1 accounts track the differences between the costs that a distributor is billed for certain IESO and host distributor services (including the cost of power) and the associated revenues that the distributor receives from its customers for these services. The total net difference between these costs and revenues is disposed to customers through a temporary charge or credit known as a rate rider.

debit or credit) a pre-set disposition threshold of \$0.001 per kWh, unless a distributor justifies why balances should not be disposed.⁹ If the balance does not exceed the threshold, a distributor may elect to request disposition.

The 2017 actual year-end total balance for Grimsby Power's Group 1 accounts including interest projected to December 31, 2018 is a debit of \$428,878. This amount represents a total debit claim of \$0.0025 per kWh, which exceeds the disposition threshold.

Included in the balance of the Group 1 accounts is the Global Adjustment (GA) debit account balance of \$107,591. Costs for the commodity portion of its electricity service reflects the sum of two charges: the price of electricity established by the operation of the Independent Electricity System Operator (IESO) administered wholesale market, and the GA.¹⁰

The GA is paid by consumers in several different ways:

- For Regulated Price Plan (RPP) customers, the GA is incorporated into the standard commodity rates, therefore there is no variance account for the GA.
- Customers who participate in the Ontario Industrial Conservation Initiative program are referred to as "Class A" customers. These customers are assessed GA costs through a peak demand factor that is based on the percentage their demand contributes to the top five Ontario system peaks. This factor determines a Class A customer's allocation for a year-long billing period that starts in July every year. As distributors settle with Class A customers based on the actual GA costs there is no resulting variance.
- "Class B" non-RPP customers pay the GA charge based on the amount of electricity they consume in a month (kWh). Class B non-RPP customers are billed GA based on the IESO published GA price. For Class B non-RPP customers, distributors track any difference between the billed amounts and actual costs in the GA Variance Account for disposal, once audited.

Under the general principle of cost causality, customer groups that cause variances should be responsible for paying (or receiving credits) for their disposal. The movement

⁹ Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)." EB-2008-0046, July 31, 2009.

¹⁰ The GA is established monthly, by the IESO, and varies in accordance with market conditions. It is the difference between the market price and the sum of the rates paid to regulated and contracted generators and conservation and demand management (demand response) program costs.

from one class to another should not prevent identifiable customers from paying down/receiving a debit/credit balance.

Grimsby Power proposes the recovery of its GA variance account balance of \$107,591 as at December 31, 2017, including interest to December 31, 2018, in accordance with the following table.

Table 6.1: Recovery of GA Variance

Proposed Amounts	Proposed Method for Recovery
\$104,983 recovered from customers who were Class B for the entire period from January 2017 to December 2017	per kWh rate rider
\$2,608 from customers formerly in Class B during the period January 1, 2017 to June 30, 2017 who were reclassified to Class A	12 equal installments ¹¹

The balance of the Group 1 accounts includes \$870 for the refund of Capacity Based Recovery (CBR) charges for Class B customers related to the IESO's wholesale energy market for Capacity Based Recovery program. Distributors paid CBR charges to the IESO in 2016 and recorded these to a dedicated sub-account. The disposition of this sub-account is impacted by whether or not a distributor had any customers who were part of Class A during the period from January 1, 2017 to December 31, 2017. The disposition is also impacted by whether or not the Class B CBR rate riders in the 2019 IRM Rate Generator Model¹² rounds to zero at the fourth decimal place in one or more rate classes.

Grimsby Power had Class A customers during the period from July 1, 2017 to December 31, 2017 but the CBR Class B rate riders calculated rounded to zero at the fourth decimal place in one or more of the rate classes. In this event, the entire Account 1580 sub-account CBR Class B is added to the Account 1580 WMS control account to be disposed through the general purpose Group 1 Deferral and Variance Account.

The remaining Group 1 accounts being sought for disposition, through the general Deferral and Variance Account rate rider, include the following flow through variance accounts: Low Voltage Charges, Smart Meter Entity Charges, Wholesale Market Service Charges, Retail Transmission Service Charges, Commodity Power Charges,

¹¹ 2019 IRM Rate Generator Model, Tab 6.1a "GA Allocation"

¹² 2019 IRM Rate Generator Model, Tab 6.2 "CBR B"

and Account 1595 residual balances. These Group 1 accounts have a total debit balance of \$321,287, which results in a charge to customers.

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements*.¹³ Grimsby Power further notes that its proposal for a one-year disposition period is in accordance with the OEB's policy.¹⁴

Earlier this year, the OEB suspended its approvals of Group 1 rate riders on a final basis. As stated in its letter to the sector dated July 20, 2018, the OEB will determine whether the riders will be approved on an interim basis or not approved at all (i.e. no disposition of account balances) on a case by case basis until further notice.¹⁵

Findings

The OEB approves the disposition of a debit balance of \$428,878 as of December 31, 2017, including interest projected to December 31, 2018 for Group 1 accounts.

The following table identifies the principal and interest amounts which the OEB approves for disposition.

Table 6.2: Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
LV Variance Account	1550	92,188	2,424	94,612
Smart Meter Entity Variance Charge	1551	(1,735)	(42)	(1,777)
RSVA - Wholesale Market Service Charge	1580	(147,093)	(3,866)	(150,958)
Variance WMS - Sub-account CBR Class B	1580	(887)	16	(870)
RSVA - Retail Transmission Network Charge	1584	264,097	6,128	270,225

¹³ Electricity Reporting and Record Keeping Requirements, Version dated May 3, 2016

¹⁴ Report of the OEB – “Electricity Distributors’ Deferral and Variance Account Review Initiative (EDDVAR).” EB-2008-0046, July 31, 2009.

¹⁵ OEB letter to all rate-regulated licensed electricity distributors, Re: OEB’s Plan to Standardize Processes to Improve Accuracy of Commodity Pass-Through Variance Accounts, July 20, 2018.

RSVA - Retail Transmission Connection Charge	1586	51,925	1,191	53,116
RSVA – Power	1588	46,616	1,715	48,331
RSVA - Global Adjustment	1589	103,602	3,989	107,591
Disposition and Recovery of Regulatory Balances (2016)	1595	111,217	(108,217)	2,999
Disposition and Recovery of Regulatory Balances (2017)	1595	38,511	(32,903)	5,608
Totals for all Group 1 accounts		558,443	(129,565)	428,878

The balance of each of the Group 1 accounts approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*.¹⁶ The date of the transfer must be the same as the effective date for the associated rates, which is, generally, the start of the rate year. Grimsby Power shall ensure these adjustments are included in the reporting period ending March 31, 2019 (Quarter 1).

The OEB approves these balances to be disposed through interim rate riders and charges as calculated in the Rate Generator Model. The interim rate riders will be in effect over a one-year period from January 1, 2019 to December 31, 2019.¹⁷

7 RESIDENTIAL RATE DESIGN

All residential distribution rates currently include a fixed monthly charge and a variable usage charge. The OEB's residential rate design policy stipulates that distributors will transition residential customers to a fully fixed monthly distribution service charge over a four-year period, beginning in 2016.¹⁸ This is the last year of Grimsby Power's transition period and, accordingly, 2019 is final year in which Grimsby Power's rates will be

¹⁶ Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

¹⁷ 2019 IRM Rate Generator Model Tab 6.1 GA, Tab 6.1a GA Allocation, and Tab 7 Calculation of Def-Var RR.

¹⁸ As outlined in the Policy cited at footnote 1 above.

adjusted upwards by more than the mechanistic adjustment alone. Grimsby Power has transitioned to a fully fixed structure.

The OEB expects an applicant to apply two tests to evaluate whether mitigation of bill impacts for customers is required during the transition period. Mitigation usually takes the form of a lengthening of the transition period. The first test is to calculate the change in the monthly fixed charge, and to consider mitigation if it exceeds \$4. The second is to calculate the total bill impact of the proposals in the application for low volume residential customers (defined as those residential RPP customers whose consumption is at the 10th percentile for the class). Mitigation may be required if the bill impact related to the application exceeds 10% for these customers.

Grimsby Power notes that the implementation of the transition results in an increase to the fixed charge prior to the price cap adjustment of \$2.59. The bill impact arising from the proposals in this application, including the fixed rate change, is below 10% for low volume residential customers.

Findings

The OEB finds that the proposed 2019 increase to the monthly fixed charge is calculated in accordance with the OEB's residential rate design policy. The distributor has now completed its transition to a fully fixed rate structure. The results of the monthly fixed charge and total bill impact for low consumption residential consumers demonstrate that no mitigation is required. The OEB approves the increase as proposed by the applicant and calculated in the final Rate Generator Model.

8 IMPLEMENTATION AND ORDER

This Decision is accompanied by a Rate Generator Model, applicable supporting models, and a Tariff of Rates and Charges (Schedule A).

Model entries were reviewed in order to ensure that they are in accordance with Grimsby Power's last cost of service decision, and to ensure that the 2018 OEB-approved Tariff of Rates and Charges, as well as the cost, revenue and consumption results from 2017, are as reported by Grimsby Power to the OEB.

The Rate Generator Model was adjusted, where applicable, to correct any discrepancies. The Rate Generator Model incorporates the rates set out in the following table.

Table 8.1: Regulatory Charges

Rate	per kWh
Rural or Remote Electricity Rate Protection (RRRP)	\$0.0003
Wholesale Market Service (WMS) billed to Class A and B Customers	\$0.0032
Capacity Based Recovery (CBR) billed to Class B Customers	\$0.0004

Each of these rates is a component of the “Regulatory Charge” on a customer’s bill, established annually by the OEB through a separate, generic order. The RRRP, WMS and CBR rates were set by the OEB on December 20, 2017.¹⁹

The Smart Metering Entity charge is a component of the “Distribution Charge” on a customer’s bill, established by the OEB through a separate order. The Smart Metering Entity Charge was set by the OEB on March 1, 2018.²⁰

THE ONTARIO ENERGY BOARD ORDERS THAT

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective January 1, 2019 for electricity consumed or estimated to have been consumed on and after such date. Grimsby Power Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new final and interim rates.

DATED at Toronto, [date]

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

¹⁹ Decision and Order, EB-2017-0333, December 20, 2017.

²⁰ Decision and Order, EB-2017-0290, March 1, 2018.

Schedule A

To Decision and Rate Order

Tariff of Rates and Charges

OEB File No: EB-2018-0035

DATED: December XX, 2018

Grimsby Power Incorporated

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2019

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2018-0035

RESIDENTIAL SERVICE CLASSIFICATION

This class refers to the supply of electricity to residential customers residing in detached or semi-detached dwelling units, as defined in the local zoning by-law. Residential Service means a service which is less than 50 kW supplied to single-family dwelling units that is for domestic or household purposes, including seasonal occupancy. At Grimsby Power's discretion, residential rates may be applied to apartment buildings with 6 or less units by simple application of the residential rate or by blocking the residential rate by the number of units. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	28.14
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Low Voltage Service Rate	\$/kWh	0.0010
Rate Rider for Disposition of Global Adjustment Account (2019) - effective until December 31, 2019 Applicable only for Non-RPP Customers - Approved on a Interim Basis	\$/kWh	0.0017
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 - Approved on a Interim Basis	\$/kWh	0.0016
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0065
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0036

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Grimsby Power Incorporated
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2019
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2018-0035

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non-residential customer that is identified by the billing system as registering under 50 kW on a demand meter in any one month of the year. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	25.27
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0194
Low Voltage Service Rate	\$/kWh	0.0009
Rate Rider for Disposition of Global Adjustment Account (2019) - effective until December 31, 2019 Applicable only for Non-RPP Customers - Approved on a Interim Basis	\$/kWh	0.0017
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 - Approved on a Interim Basis	\$/kWh	0.0016
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0032

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Grimsby Power Incorporated

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2019

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2018-0035

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non-residential customer that is identified by the billing system as registering equal to or over 50 kW on a demand meter in any one month of the year. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

The rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	209.88
Distribution Volumetric Rate	\$/kW	3.0692
Low Voltage Service Rate	\$/kW	0.3623
Rate Rider for Disposition of Global Adjustment Account (2019) - effective until December 31, 2019 Applicable only for Non-RPP Customers -Approved on an Interim Basis	\$/kWh	0.0017
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 Applicable only for Non-Wholesale Market Participants - Approved on an Interim Basis	\$/kW	(0.2137)
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 - Approved on an Interim Basis	\$/kW	0.7814
Retail Transmission Rate - Network Service Rate	\$/kW	2.3919
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.3142
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.4226
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.3851

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Grimsby Power Incorporated

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2019

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2018-0035

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to electricity consumption that is not metered and is billed based on estimated usage. Such connections include street lighting equipment not owned by or operated for a municipality or the Province of Ontario, traffic signals and other small services etc. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	37.21
Distribution Volumetric Rate	\$/kWh	0.0233
Low Voltage Service Rate	\$/kWh	0.0009
Rate Rider for Disposition of Global Adjustment Account (2019) - effective until December 31, 2019 Applicable only for Non-RPP Customers - Approved on a Interim Basis	\$/kWh	0.0017
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 - Approved on a Interim Basis	\$/kWh	0.0016
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0032

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Grimsby Power Incorporated

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2019

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2018-0035

STREET LIGHTING SERVICE CLASSIFICATION

All services to street lighting equipment owned by or operated for a municipality or the Province of Ontario shall be classified as Street Lighting Service. Consumption is as per the Ontario Energy Board's street lighting load shape. Class A and Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	2.34
Distribution Volumetric Rate	\$/kW	5.8446
Low Voltage Service Rate	\$/kW	0.2657
Rate Rider for Disposition of Global Adjustment Account (2019) - effective until December 31, 2019 Applicable only for Non-RPP Customers - Approved on a Interim Basis	\$/kWh	0.0017
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 - Approved on a Interim Basis	\$/kW	0.5605
Retail Transmission Rate - Network Service Rate	\$/kW	1.8040
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.0159

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Grimsby Power Incorporated
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2019
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EB-2018-0035

EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

This classification applies to Niagara Peninsula Energy Inc. an electricity distributor licensed by the Ontario Energy Board, that is provided electricity by means of this distributor's facilities. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	16,603.32
Distribution Volumetric Rate	\$/kW	1.4305
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 - Approved on a Interim Basis	\$/kW	0.4129
Retail Transmission Rate - Network Service Rate	\$/kW	3.2044
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.5613

Grimsby Power Incorporated

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2019

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EB-2018-0035

microFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	(1.00)

Grimsby Power Incorporated
TARIFF OF RATES AND CHARGES
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EB-2018-0035

SPECIFIC SERVICE CHARGES

APPLICATION

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Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Easement letter	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Interval meter interrogation	\$	20.00

Non-Payment of Account

Late payment - per month	%	1.50
Late payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Collection of account charge - no disconnection - after regular hours	\$	165.00
Disconnect/reconnect charges at meter - during regular hours	\$	65.00
Disconnect/reconnect charges at meter - after regular hours	\$	185.00
Disconnect/reconnect charges at pole - during regular hours	\$	185.00
Disconnect/reconnect charges at pole - after regular hours	\$	415.00
Install/remove load control device - during regular hours	\$	65.00
Install/remove load control device - after regular hours	\$	185.00

Other

Service call - customer-owned equipment	\$	30.00
Service call - customer-owned equipment - after regular hours	\$	165.00
Temporary service install & remove - overhead - no transformer	\$	500.00
Temporary service install & remove - underground - no transformer	\$	300.00
Temporary service install & remove - overhead - with transformer	\$	1,000.00
Specific charge for access to the power poles per pole/year (with the exception of wireless attachments)	\$	43.63

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RETAIL SERVICE CHARGES (if applicable)

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Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0457
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0352