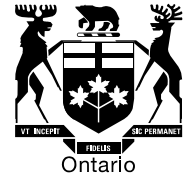


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**BY E-MAIL**

[Regulatoryaffairs@fortisontario.com](mailto:Regulatoryaffairs@fortisontario.com)

November 26, 2018

Greg Beharriell  
Canadian Niagara Power Inc.  
1130 Bertie St.  
P.O. Box 1218  
Fort Erie ON L2A 5Y2

Dear Mr. Beharriell:

**Re: Canadian Niagara Power Inc.  
Application for Rates  
OEB File Number EB-2018-0022**

Jane Scott, the Ontario Energy Board's (OEB) Manager Major Applications has been delegated authority under Section 6 of the *Ontario Energy Board Act, 1998* to make a decision on the 2019 Price Cap IR application filed by Canadian Niagara Power Inc. on August 13, 2018.

Attached to this letter is a draft of the decision the delegated authority proposes to make based on the application and any subsequent updates or clarifications. All relevant information and updates to the application have been provided to you as part of this draft decision circulation and/or earlier directly from OEB staff.

Please review the decision and provide any comments. Please also review the accompanying draft Rate Order for accuracy and completeness. Any comments are to be provided no later than Friday, November 30, 2018.

The Manager of Major Applications will consider your comments, if any, provided they have been received by the deadline, and issue a final decision and rate order in due course.

Any questions relating to this letter or your application should be directed to Marc Abramovitz, Advisor at 416-440-7690 or [marc.abramovitz@oeb.ca](mailto:marc.abramovitz@oeb.ca).

Yours truly,

*Original signed by*

Kirsten Walli  
Board Secretary



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

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## **DECISION AND RATE ORDER**

**EB-2018-0022**

### **CANADIAN NIAGARA POWER INC.**

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

**By Delegation, Before: Jane Scott**

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**[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 Canadian Niagara Power Inc. (Canadian Niagara Power) on August 13, 2018, as amended during the course of the proceeding.

Canadian Niagara Power serves about 28,000 mostly residential and commercial electricity customers in the Town of Fort Erie, City of Port Colborne and Town of Gananoque. 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).

Canadian Niagara 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 \$1.29 for a residential customer consuming 750 kWh, effective January 1, 2019.

Canadian Niagara 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.<sup>1</sup> Accordingly, the fixed monthly charge for 2019 has once again been adjusted upward in this Decision by more than the mechanistic adjustment alone. The variable usage rate is commensurately lower. This policy change does not affect the total revenue that distributors collect from residential customers.

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<sup>1</sup> 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.

Canadian Niagara Power filed its application on August 13, 2018, under section 78 of the OEB Act and in accordance with the Filing Requirements. Canadian Niagara Power supported its application with written evidence and a completed rate model. Questions were asked of, and answers were provided by, Canadian Niagara Power through emails and phone calls with the OEB. Based on this information, a draft decision was prepared and provided to Canadian Niagara Power on November 26, 2018. Canadian Niagara 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 Canadian Niagara 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 factors). No further approvals are required to continue to include these items on a distributor's Tariff of Rates and Charges.

## 4 PRICE CAP ADJUSTMENT

Canadian Niagara 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 Canadian Niagara Power are set out in Table 4.1, below. Inserting these components into the formula results in a 0.75% increase to Canadian Niagara Power's rates:  $1.05\% = 1.50\% - (0.00\% + 0.45\%)$ .

**Table 4.1: Price Cap IR Adjustment Formula**

| Components                    |                                      | Amount |
|-------------------------------|--------------------------------------|--------|
| Inflation Factor <sup>2</sup> |                                      | 1.50%  |
| X-Factor                      | Productivity <sup>3</sup>            | 0.00%  |
|                               | Stretch (0.00% – 0.60%) <sup>4</sup> | 0.45%  |

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

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

<sup>3</sup> Report of the OEB – “Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors” EB-2010-0379, Issued November 21, 2013, corrected December 4, 2013.

<sup>4</sup> 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.

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 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 Canadian Niagara Power is 0.45%.

## Findings

The OEB finds that Canadian Niagara Power's request for a 1.05% rate adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Canadian Niagara 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.<sup>5</sup>

## 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.

Canadian Niagara Power is partially embedded within Hydro One's distribution system and is requesting approval to adjust the RTSRs that it charges its customers to reflect

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<sup>5</sup> 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.

the rates that it pays for transmission services included in Table 5.1 and Table 5.2.

**Table 5.1: UTRs<sup>6</sup>**

| <b>Current Approved UTRs (2018)</b>    | <b>per kW</b> |
|--|---------------|
| 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-RTSRs<sup>7</sup>**

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

## Findings

Canadian Niagara Power's proposed adjustment to its RTSRs is approved. The RTSRs were adjusted based on the current 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

<sup>6</sup> Decision and Order, EB-2017-0359, February 1, 2018

<sup>7</sup> Decision and Order, EB-2016-0081, December 21, 2016



disposed.<sup>8</sup> OEB policy requires that Group 1 accounts be disposed if they exceed (as a debit or credit) a pre-set disposition threshold of \$0.001 per kWh, unless a distributor justifies why balances should not be disposed.<sup>9</sup> If the balance does not exceed the threshold, a distributor may elect to request disposition.

The 2017 actual year-end total balance for Canadian Niagara Power's Group 1 accounts including interest projected to December 31, 2018 is a credit of \$837,069. This amount represents a total credit/debit claim of \$0.0018 per kWh, which exceeds the disposition threshold. Canadian Niagara Power proposes the disposition of this credit amount over a one-year period which is consistent with EDDVAR.

Included in the balance of the Group 1 accounts is the Global Adjustment (GA) account credit balance of \$330,688. 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.<sup>10</sup>

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

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<sup>8</sup> 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.

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

<sup>10</sup> 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.

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

Canadian Niagara Power proposes the recovery of its GA variance account balance of \$330,688 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        |
|--|-------------------------------------|
| \$302,580 refunded to customers who were Class B for the entire period from January 2017 to December 2017                  | per kWh rate rider                  |
| \$28,107 to customers formerly in Class B during the period January 2017 to December 2017 who were reclassified to Class A | 12 equal installments <sup>11</sup> |

The balance of the Group 1 accounts includes a credit of \$105,176 for the refund of Capacity Based Recovery (CBR) charges for Class B customers related to the IESO's wholesale energy market Demand Response 3 program. Distributors paid CBR charges to the IESO in 2016 and 2017 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 2017 to December 2017.

Canadian Niagara Power had Class A customers during the period from January 2017 to December 2017 so it applied to have the balance of this account disposed through a separate kWh rate rider for Class B customers in order to ensure proper allocation between Class A and Class B customers.

As some customers were reclassified between Class A and Class B during the period from January 2017 to December 2017, Canadian Niagara Power requested refunding of a portion of CBR Class B costs by way of 12 equal installments.<sup>12</sup>

<sup>11</sup> 2019 IRM Rate Generator Model, Tab 6.1a "GA Allocation"

<sup>12</sup> 2019 IRM Rate Generator Model Tab 6.2a "CBR\_Allocation".

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, and Account 1595 residual balances. These Group 1 accounts have a total credit balance of \$401,205, which results in a refund to customers.

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

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.<sup>15</sup>

## Findings

The OEB approves the disposition of a credit balance of \$837,069 as of December 31, 2017, including interest projected to December 31, 2018 for Group 1 accounts on an interim basis.

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

<sup>13</sup> Electricity Reporting and Record Keeping Requirements, Version dated May 3, 2016

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

<sup>15</sup> 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.

**Table 6.2: Group 1 Deferral and Variance Account Balances**

| <b>Account Name</b>                                    | <b>Account Number</b> | <b>Principal Balance (\$) A</b> | <b>Interest Balance (\$) B</b> | <b>Total Claim (\$) C=A+B</b> |
|--|-----------------------|---------------------------------|--------------------------------|-------------------------------|
| LV Variance Account                                    | 1550                  | 57,521                          | 1,847                          | 59,368                        |
| Smart Meter Entity Variance Charge                     | 1551                  | (4,892)                         | (133)                          | (5,025)                       |
| RSVA - Wholesale Market Service Charge                 | 1580                  | (459,581)                       | (13,114)                       | (472,695)                     |
| Variance WMS - Sub-account CBR Class B                 | 1580                  | (101,499)                       | (3,677)                        | (105,176)                     |
| RSVA - Retail Transmission Network Charge              | 1584                  | (8,335)                         | (299)                          | (8,634)                       |
| RSVA - Retail Transmission Connection Charge           | 1586                  | 214,627                         | 4,549                          | 219,177                       |
| RSVA – Power   | 1588                  | (8,880)                         | (22,648)                       | (31,528)                      |
| RSVA - Global Adjustment                               | 1589                  | (353,374)                       | 22,687                         | (330,688)                     |
| Disposition and Recovery of Regulatory Balances (2013) | 1595                  | (15,593)                        | (466)                          | (16,059)                      |
| Disposition and Recovery of Regulatory Balances (2015) | 1595                  | (136,007)                       | (9,801)                        | (145,808)                     |
| <b>Totals for all Group 1 accounts</b>                 |                       | (816,013)                       | (21,055)                       | (837,069)                     |

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*.<sup>16</sup> 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. Canadian Niagara Power shall ensure these adjustments are included in the reporting period ending March 31, 2019 (Quarter 1).

<sup>16</sup> Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

The OEB approves these balances to be disposed through interim rate riders, and payments as calculated in the Rate Generator Model. The interim rate riders and payments will be in effect over a one-year period from January 1, 2019 to December 31, 2019.<sup>17</sup>

## 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.<sup>18</sup> Distributors, such as Canadian Niagara Power, who are in a transition period that is greater than 4 years, are required to continue with this transition until the monthly service charge is fully fixed.

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 10<sup>th</sup> percentile for the class). Mitigation may be required if the bill impact related to the application exceeds 10% for these customers.

In its 2017 cost of service proceeding, Canadian Niagara Power was approved for a fifth transition year in order to mitigate bill impacts for residential customers at Canadian Niagara Power's 10<sup>th</sup> percentile of consumption.

Canadian Niagara Power notes that the implementation of the transition results in an increase to the fixed charge prior to the price cap adjustment of \$2.64. 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 results of the monthly fixed charge, and total bill impact for low consumption residential consumers

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<sup>17</sup> 2019 IRM Rate Generator Model Tab 6.1 GA, Tab 6.1a GA Allocation, Tab 6.2 CBR B, Tab 6.2a CBR\_Allocation and Tab 7 Calculation of Def-Var RR.

<sup>18</sup> As outlined in the Policy cited at footnote 1 above.

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 Canadian Niagara 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 Canadian Niagara 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.<sup>19</sup>

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.<sup>20</sup>

<sup>19</sup> Decision and Order, EB-2017-0333, December 20, 2017.

<sup>20</sup> Decision and Order, EB-2017-0290, March 1, 2018.

**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, 2018 for electricity consumed or estimated to have been consumed on and after such date. Canadian Niagara Power 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

**Schedule A**

**To Decision and Rate Order**

**Tariff of Rates and Charges**

**OEB File No: EB-2018-0022**

**DATED: December XX, 2018**



# Canadian Niagara Power Inc.

## 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-2018-0022

## RESIDENTIAL SERVICE CLASSIFICATION

The Residential Class (Regular) refers to a service taking electricity normally at 750 volts or less where the electricity is used for domestic and household purposes in a single family unit. A single family unit being a permanent structure located on a single parcel of land and approved by a civic authority as a dwelling and occupied for that purpose by a single customer. Residential rates are also applied to apartment buildings with 6 units or less that are bulk metered. Apartment buildings with more than 6 units that are bulk metered are deemed to be General Service. 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 Debt Retirement Charge, the Global Adjustment, and the HST.

## MONTHLY RATES AND CHARGES - Delivery Component

|  |        |          |
|--|--------|----------|
| Service Charge   | \$     | 33.56    |
| Smart Metering Entity Charge - effective until December 31, 2022   | \$     | 0.57     |
| Distribution Volumetric Rate   | \$/kWh | 0.0041   |
| Low Voltage Service Rate   | \$/kWh | 0.0003   |
| Rate Rider for Disposition of Global Adjustment Account (2019) - effective until December 31, 2019<br>Applicable only for Non-RPP Customers - Approved on an Interim Basis       | \$/kWh | (0.0024) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019<br>- Approved on an Interim Basis  | \$/kWh | (0.0005) |
| Rate Rider for Disposition of Capacity Based Recovery Account (2019) - effective until December 31, 2019<br>Applicable only for Class B Customers - Approved on an Interim Basis | \$/kWh | (0.0003) |
| Retail Transmission Rate - Network Service Rate  | \$/kWh | 0.0069   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kWh | 0.0067   |

## 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   |

**Canadian Niagara Power Inc.**  
**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-2018-0022

## **GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION**

This classification refers to the supply of electrical energy to single commercial or industrial customer and whose average peak demand is (or is forecasted to be) less than 50 kW. Single commercial or industrial customers are interpreted as a structure or structures on a single parcel of land occupied by one customer. An apartment building with more than 6 units that is bulk metered and has an average peak demand less than 50 kW is deemed to be General Service less than 50 kW. The common area of a separately metered apartment building having a demand less than 50 kW is also deemed to be General Service less than 50 kW. 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 Debt Retirement Charge, the Global Adjustment, and the HST.

### **MONTHLY RATES AND CHARGES - Delivery Component**

|  |        |          |
|--|--------|----------|
| Service Charge   | \$     | 30.57    |
| Smart Metering Entity Charge - effective until December 31, 2022   | \$     | 0.57     |
| Distribution Volumetric Rate   | \$/kWh | 0.0249   |
| Low Voltage Service Rate   | \$/kWh | 0.0002   |
| Rate Rider for Disposition of Global Adjustment Account (2019) - effective until December 31, 2019<br>Applicable only for Non-RPP Customers - Approved on an Interim Basis       | \$/kWh | (0.0024) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019<br>- Approved on an Interim Basis  | \$/kWh | (0.0005) |
| Rate Rider for Disposition of Capacity Based Recovery Account (2019) - effective until December 31, 2019<br>Applicable only for Class B Customers - Approved on an Interim Basis | \$/kWh | (0.0003) |
| Retail Transmission Rate - Network Service Rate  | \$/kWh | 0.0059   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kWh | 0.0058   |

### **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   |

# Canadian Niagara Power Inc.

## 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-2018-0022

## GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to single commercial or industrial customer and whose average peak demand is (or is forecasted to be) equal to or greater than 50 kW but less than 5000 kW. Single commercial or industrial customers are interpreted as a structure or structures on a single parcel of land occupied by one customer. 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 WMS – Sub-account CBR Class B is not applicable to wholesale market participants (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 Class B customers.

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 Debt Retirement Charge, the Global Adjustment, and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

|  |        |          |
|--|--------|----------|
| Service Charge   | \$     | 164.23   |
| Rate Rider for Disposition of MIST Meters (2017) - effective until December 31, 2021                     | \$     | 7.55     |
| Rate Rider for Disposition of Stranded Meters (2017) - effective until December 31, 2021                 | \$     | 3.86     |
| Distribution Volumetric Rate   | \$/kW  | 7.2135   |
| Low Voltage Service Rate   | \$/kW  | 0.1011   |
| 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 | (0.0024) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019      |        |          |
| - Approved on an Interim Basis   | \$/kW  | (0.4413) |
| Rate Rider for Disposition of Capacity Based Recovery Account (2019) - effective until December 31, 2019 |        |          |
| Applicable only for Class B Customers - Approved on an Interim Basis                                     | \$/kWh | (0.0829) |
| Retail Transmission Rate - Network Service Rate  | \$/kW  | 2.4914   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate                               | \$/kW  | 2.4011   |

**Canadian Niagara Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2019**  
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EB-2018-0022

**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   |

DRAFT

**Canadian Niagara Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
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EB-2018-0022

## **EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION**

This classification applies to an electricity distributor licensed by the 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**

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 Debt Retirement Charge, the Global Adjustment, and the HST.

### **MONTHLY RATES AND CHARGES - Delivery Component**

|  |        |          |
|--|--------|----------|
| Service Charge   | \$     | 590.97   |
| Distribution Volumetric Rate   | \$/kW  | 8.2982   |
| Low Voltage Service Rate   | \$/kW  | 0.1011   |
| Rate Rider for Disposition of Global Adjustment Account (2019) - effective until December 31, 2019<br>Applicable only for Non-RPP Customers - Approved on an Interim Basis       | \$/kWh | (0.0024) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019<br>- Approved on an Interim Basis  | \$/kW  | (0.7069) |
| Rate Rider for Disposition of Capacity Based Recovery Account (2019) - effective until December 31, 2019<br>Applicable only for Class B Customers - Approved on an Interim Basis | \$/kWh | (0.1019) |
| Retail Transmission Rate - Network Service Rate  | \$/kW  | 2.4914   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kW  | 2.4011   |

### **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   |

**Canadian Niagara Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
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## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to the supply of electrical service to a customer that is deemed to have a constant load over a billing period, normally with minimum electrical consumption and the consumption is unmetered. Energy consumption is based on connected wattage and calculated hours of use. Examples of unmetered scattered load are cable television amplifiers, billboards, area lighting. 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 Debt Retirement Charge, the Global Adjustment, and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

|  |        |          |
|--|--------|----------|
| Service Charge (per customer)  | \$     | 48.18    |
| Distribution Volumetric Rate   | \$/kWh | 0.0262   |
| Low Voltage Service Rate   | \$/kWh | 0.0002   |
| Rate Rider for Disposition of Global Adjustment Account (2019) - effective until December 31, 2019<br>Applicable only for Non-RPP Customers - Approved on an Interim Basis       | \$/kWh | (0.0023) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019<br>- Approved on an Interim Basis  | \$/kWh | (0.0005) |
| Rate Rider for Disposition of Capacity Based Recovery Account (2019) - effective until December 31, 2019<br>Applicable only for Class B Customers - Approved on an Interim Basis | \$/kWh | (0.0003) |
| Retail Transmission Rate - Network Service Rate  | \$/kWh | 0.0061   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kWh | 0.0059   |

### 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   |

**Canadian Niagara Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
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EB-2018-0022

## **STANDBY POWER SERVICE CLASSIFICATION**

The Standby subclass charge is applied to a customer with load displacement facilities behind its meter but is dependent on Canadian Niagara Power Inc. to supply a minimum amount of electricity in the event the customer's own facilities are out of service. The minimum amount of supply that Canadian Niagara Power Inc. must supply is a contracted amount agreed upon between the customer and Canadian Niagara Power Inc. 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.

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 Debt Retirement Charge, the Global Adjustment, and the HST.

### **MONTHLY RATES AND CHARGES - APPROVED ON AN INTERIM BASIS**

Standby Charge - for a month where standby power is not provided. The charge is applied to the contracted amount (e.g. nameplate rating of generation facility)

\$/kW

1.1888

**Canadian Niagara Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
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EB-2018-0022

## SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to all services required to supply sentinel lighting equipment. 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 Debt Retirement Charge, the Global Adjustment, and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

|  |        |          |
|--|--------|----------|
| Service Charge (per connection)  | \$     | 5.51     |
| Distribution Volumetric Rate   | \$/kW  | 6.3828   |
| Low Voltage Service Rate   | \$/kW  | 0.0825   |
| Rate Rider for Disposition of Global Adjustment Account (2019) - effective until December 31, 2019<br>Applicable only for Non-RPP Customers - Approved on an Interim Basis       | \$/kWh | (0.0025) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019<br>- Approved on an Interim Basis  | \$/kW  | (0.0354) |
| Rate Rider for Disposition of Capacity Based Recovery Account (2019) - effective until December 31, 2019<br>Applicable only for Class B Customers - Approved on an Interim Basis | \$/kWh | (0.0829) |
| Retail Transmission Rate - Network Service Rate  | \$/kW  | 2.1232   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kW  | 1.9595   |

### 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   |



**Canadian Niagara Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
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EB-2018-0022

## STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to the supply of electrical service for roadway lighting. Energy consumption is based on connected wattage and calculated hours of use. Customers are usually a Municipality, Region or the Ministry of Transportation. 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 Debt Retirement Charge, the Global Adjustment, and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

|  |        |          |
|--|--------|----------|
| Service Charge (per connection)  | \$     | 3.96     |
| Distribution Volumetric Rate   | \$/kW  | 8.6117   |
| Low Voltage Service Rate   | \$/kW  | 0.0771   |
| Rate Rider for Disposition of Global Adjustment Account (2019) - effective until December 31, 2019<br>Applicable only for Non-RPP Customers - Approved on an Interim Basis       | \$/kWh | (0.0024) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019<br>- Approved on an Interim Basis  | \$/kW  | (0.7452) |
| Rate Rider for Disposition of Capacity Based Recovery Account (2019) - effective until December 31, 2019<br>Applicable only for Class B Customers - Approved on an Interim Basis | \$/kWh | (0.0884) |
| Retail Transmission Rate - Network Service Rate  | \$/kW  | 1.8441   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kW  | 1.8320   |

### 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   |

**Canadian Niagara Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date January 1, 2019**  
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EB-2018-0022

## **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**

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.

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 Debt Retirement Charge, the Global Adjustment, and the HST.

### **MONTHLY RATES AND CHARGES - Delivery Component**

|                |    |      |
|----------------|----|------|
| Service Charge | \$ | 5.40 |
|----------------|----|------|

**Canadian Niagara Power Inc.**  
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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) |

**SPECIFIC SERVICE CHARGES**

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 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.

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**Customer Administration**

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

**Non-Payment of Account**

|   |    |        |
|---|----|--------|
| Late payment - per month  | %  | 1.50   |
| Late payment - per annum  | %  | 19.56  |
| Collection of account charge - no disconnection - during regular business hours | \$ | 30.00  |
| Collection of account charge - no disconnection - after regular hours           | \$ | 165.00 |
| Disconnect/reconnect at meter - during regular hours                            | \$ | 65.00  |
| Disconnect/reconnect at meter - after regular hours                             | \$ | 185.00 |
| Disconnect/reconnect at pole - during regular hours                             | \$ | 185.00 |
| Disconnect/reconnect 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 |

**Canadian Niagara Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
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**Other**

|   |    |          |
|---|----|----------|
| Special meter reads   | \$ | 30.00    |
| Service call - customer owned equipment   | \$ | 30.00    |
| Service call - 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<br>(with the exception of wireless attachments) | \$ | 43.63    |

**RETAIL SERVICE CHARGES (if applicable)**

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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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.

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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 | 1.0530 |
| Total Loss Factor - Primary Metered Customer < 5,000 kW   | 1.0425 |