



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

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## **DECISION AND RATE ORDER**

**EB-2018-0048**

### **KITCHENER-WILMOT HYDRO INC.**

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

**By Delegation, Before: Theodore Antonopoulos**

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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 Kitchener-Wilmot Hydro Inc. (Kitchener-Wilmot Hydro) on August 13, 2018 as amended during the course of the proceeding.

Kitchener-Wilmot Hydro serves about 96,200 mostly residential and commercial electricity customers in the City of Kitchener and the Township of Wilmot. 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).

Kitchener-Wilmot Hydro'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 \$1.51 for a residential customer consuming 750 kWh, effective January 1, 2019.

Kitchener-Wilmot Hydro has also applied to change the composition of its distribution service rates. 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, 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 customer. 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.

Kitchener-Wilmot Hydro filed its application on August 13, 2018, under section 78 of the OEB Act and in accordance with the Filing Requirements. Kitchener-Wilmot Hydro supported its application with written evidence and a completed rate model. Questions were asked of, and answers were provided by, Kitchener-Wilmot Hydro through emails and phone calls with the OEB. Based on this information, a draft decision was prepared and provided to Kitchener-Wilmot Hydro on December 7, 2018. Kitchener-Wilmot Hydro 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 Kitchener-Wilmot Hydro's proposals relating to each of them:

- Price Cap Adjustment
- Shared Tax Adjustments
- 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

Kitchener-Wilmot Hydro 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 Kitchener-Wilmot Hydro are set out in Table 4.1, below. Inserting these components into the formula results in a 1.35% increase to Kitchener-Wilmot Hydro's rates:  $1.35\% = 1.50\% - (0.00\% + 0.15\%)$ .

**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>	0.15%

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

<sup>2</sup> For 2019 Inflation factor see Ontario Energy Board 2019 Electricity Distribution Rate applications - 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.

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 Kitchener-Wilmot Hydro is 0.15%.

### Findings

The OEB finds that Kitchener-Wilmot Hydro'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 Kitchener-Wilmot Hydro'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 SHARED TAX ADJUSTMENTS

In any adjustment year of a Price Cap IR term, a change in legislation may result in a change to the amount of taxes payable by a distributor. For IRM applications, the OEB has long held that a 50/50 sharing of the impact of legislated tax changes between shareholders and ratepayers is appropriate in these situations. The shared tax change amount, whether in the form of a credit or a debit, will be assigned to customer rate classes in the same proportions as the OEB-approved distribution revenue by rate class from a distributor's last cost of service proceeding.

The application identifies a total tax change of \$61,470. This amount relates to the small business tax deduction that was previously available to Kitchener-Wilmot Hydro at the time of its 2014 cost of service proceeding. Since Kitchener-Wilmot Hydro no longer qualifies for this tax credit, this results in a shared amount of \$30,735 to be collected from ratepayers. Since the allocated tax sharing amount does not produce a rate rider in

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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.

one or more rate classes, the Rate Generator Model does not compute rate riders and distributors are therefore required to transfer the entire OEB-approved tax sharing amount into Account 1595 for disposition at a later date.

## Findings

The allocated tax sharing amount of \$30,735 does not produce a rate rider in one or more rate classes. The OEB therefore directs Kitchener-Wilmot Hydro to record the OEB-approved tax sharing amount of \$30,735 into Account 1595, sub-account 2019 – Principal by March 31, 2019 (Q1) for disposition at a later date.

## 6 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.

Kitchener-Wilmot Hydro is transmission connected, 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 6.1.

**Table 6.1: 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

## Findings

Kitchener-Wilmot Hydro's proposed adjustment to its RTSRs is approved. The RTSRs were adjusted to reflect the OEB-approved 2018 UTRs.

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

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

## 7 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.<sup>7</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>8</sup> If the balance does not exceed the threshold, a distributor may elect to request disposition.

The original 2017 actual year-end total balance for Kitchener-Wilmot Hydro's Group 1 accounts including interest projected to December 31, 2018 was a debit of \$102,208. This amount represents a total debit claim of \$0.0001 per kWh, which does not exceed the disposition threshold. Kitchener-Wilmot Hydro proposed the disposition of this debit amount over a one-year period, as the sum of the Group 1 account balances excluding GA is largely offset by the GA account balance. Kitchener-Wilmot Hydro stated that since the non-GA account balances would be returned to a different group of customers from the GA account balance, the disposition of all balances in Group 1 accounts would help reduce future intergenerational inequity for both RPP and non-RPP customers.

Included in the originally filed Group 1 balances for disposition was a debit of \$1,406,625 in Account 1588, RSVA Power. During the course of the OEB's review, it became clear that Kitchener-Wilmot Hydro did not incorporate the Charge Type (CT) 1142 RPP settlement true-up adjustments in the balances that it had requested for disposition and, principal adjustments for 2017 were not made to Tab 3 DVA Continuity Schedule in the Rate Generator model relating to CT 1142 (RPP settlement true-ups for the months of October, November and December 2017). Kitchener-Wilmot Hydro updated its application and incorporated the required true-up adjustments in 2017. Kitchener-Wilmot Hydro made a credit adjustment for 2017 RPP settlement true-up adjustments of \$2,312,500 to the balance of Account 1588 RSVA power, which is now a credit of \$905,892. The Group 1 account balance including interest projected to December 31, 2018 has been updated to a credit of \$2,210,291. This amount

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<sup>7</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>8</sup> Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)." EB-2008-0046, July 31, 2009.

represents a total credit claim of \$0.0013 per kWh, which exceeds the disposition threshold.

Included in the balance of the Group 1 accounts is the Global Adjustment (GA) account balance of \$1,219,290. 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>9</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 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.

Kitchener-Wilmot Hydro proposes the recovery of its GA variance account balance of \$1,219,290 as at December 31, 2017, including interest to December 31, 2018, in accordance with the following table.

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<sup>9</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.



**Table 7.1: Recovery of GA Variance**

Proposed Amounts	Proposed Method for Recovery
\$1,069,844 recovered from customers who were Class B for the entire period from January 2017 to December 2017	per kWh rate rider
\$149,447 from customers formerly in Class B during the period January 2017 to June 2017 who were reclassified to Class A	12 equal installments <sup>10</sup>

The balance of the Group 1 accounts includes \$44,167 for the recovery of Capacity Based Recovery (CBR) charges for Class B customers related to the IESO's wholesale energy market for the CBR 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 2017 to December 2017. The disposition is also impacted by whether or not the Class B CBR rate riders in the 2019 IRM Rate Generator Model<sup>11</sup> rounds to zero at the fourth decimal place in one or more rate classes.

Kitchener-Wilmot Hydro had Class A customers during the period from January 2017 to December 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 Group 1 Deferral and Variance Account rate rider.

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: 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 \$3,429,581, 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>12</sup> The variances between RRR and 2017 year-end balances were explained. Kitchener-Wilmot Hydro

<sup>10</sup> 2019 IRM Rate Generator Model, Tab 6.1a "GA Allocation"

<sup>11</sup> 2019 IRM Rate Generator Model, Tab 6.2 "CBR B"

<sup>12</sup> Electricity Reporting and Record Keeping Requirements, Version dated May 3, 2016

further notes that its proposal for a one-year disposition period is in accordance with the OEB's policy.<sup>13</sup>

In the GA Analysis Workform, as originally filed, Kitchener-Wilmot Hydro included a reconciling adjustment (item 6) of a credit of \$1,880,027 to capture the difference between amounts derived from the IESO GA posted rates and the IESO invoiced amounts. Kitchener-Wilmot Hydro stated that this difference related to prior period adjustments made by the IESO that Kitchener-Wilmot Hydro had not taken into consideration when completing its RPP settlements with the IESO. Kitchener-Wilmot Hydro's GA Analysis Workform reflected a difference of -2%. During the course of the OEB's review, Kitchener-Wilmot Hydro updated its original evidence and clarified that this credit amount of \$1,880,027 was actually taken into consideration in its 2017 IESO final settlement calculations. As a result, reconciling adjustment item 6 in the GA Analysis Workform should have only been a credit of \$68,883.<sup>14</sup> Once Kitchener-Wilmot Hydro updated the GA Analysis Workform with this revised reconciling amount in item 6, the unresolved difference between the expected GA amount and the GA amount in Account 1589 was below the +/- 1% materiality threshold.

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 finds that the disposition of Group 1 accounts proposed by Kitchener-Wilmot Hydro is appropriate.

The OEB approves the disposition of a credit balance of \$2,210,291 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.

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<sup>13</sup> Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)." EB-2008-0046, July 31, 2009.

<sup>14</sup> Follow-up question to Staff 1-d, October 12, 2018.

<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 7.2: Group 1 Deferral and Variance Account Balances**

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
Smart Meter Entity Variance Charge	1551	(28,410)	(572)	(28,981)
RSVA - Wholesale Market Service Charge	1580	(1,800,789)	(44,261)	(1,845,050)
Variance WMS - Sub-account CBR Class B	1580	42,528	1,639	44,167
RSVA - Retail Transmission Network Charge	1584	(650,413)	(15,400)	(665,813)
RSVA - Retail Transmission Connection Charge	1586	(63,536)	(1,180)	(64,716)
RSVA – Power	1588	(985,711)	79,820	(905,892)
RSVA - Global Adjustment	1589	1,238,065	(18,775)	1,219,290
Disposition and Recovery of Regulatory Balances (2016)	1595	30,736	5,968	36,703
<b>Totals for all Group 1 accounts</b>		(2,217,530)	7,239	(2,210,291)

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. Kitchener-Wilmot Hydro 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 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.<sup>17</sup>

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

<sup>17</sup> 2019 IRM Rate Generator Model Tab 6.1 GA, Tab 6.1a GA Allocation.

## 8 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> This is the last year of Kitchener-Wilmot Hydro's transition period and, accordingly, 2019 is the final year in which Kitchener-Wilmot Hydro's rates will be adjusted upwards by more than the mechanistic adjustment alone. Kitchener-Wilmot Hydro 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 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.

Kitchener-Wilmot Hydro notes that the implementation of the transition results in an increase to the fixed charge prior to the price cap adjustment of \$2.76. 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 demonstrate that no mitigation is required. The OEB approves the increase as proposed by the applicant and calculated in the final Rate Generator Model.

## 9 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

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

Kitchener-Wilmot Hydro'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 Kitchener-Wilmot Hydro 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 9.1: 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 date for electricity consumed or estimated to have been consumed on and after such date. Kitchener-Wilmot Hydro 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**

Kirsten Walli  
Board Secretary

**Schedule A**

**To Decision and Rate Order**

**Tariff of Rates and Charges**

**OEB File No: EB-2018-0048**

**DATED: December XX, 2018**

**Kitchener-Wilmot Hydro 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-2018-0048

## RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. 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	\$	22.66
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
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	0.0019
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 - Approved on an Interim Basis	\$/kWh	(0.0020)
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until April 30, 2019 Applicable only for Non-RPP Customers	\$/kWh	0.0035
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until April 30, 2019	\$/kWh	(0.0052)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until April 30, 2019 Applicable only for Non-RPP Customers	\$/kWh	0.0016
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until April 30, 2019 Applicable only for Class B Customers	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0059
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0017

## 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



**Kitchener-Wilmot Hydro 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-2018-0048

## GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be 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	\$	27.76
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0133
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	0.0019
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 - Approved on an Interim Basis	\$/kWh	(0.0020)
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until April 30, 2019 Applicable only for Non-RPP Customers	\$/kWh	0.0035
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until April 30, 2019	\$/kWh	(0.0053)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until April 30, 2019 Applicable only for Non-RPP Customers	\$/kWh	0.0007
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until April 30, 2019 Applicable only for Class B Customers	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0051
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0015

### 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

**Kitchener-Wilmot Hydro Inc.**  
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## GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Note that for the application of the Retail Transmission Rate - Network Service Rate and the Retail Transmission Rate - Line and Transformation Connection Service Rate the following sub-classifications apply: General Service 50 to 999 kW non-interval metered, General Service 50 to 999 kW interval metered and General Service 1,000 to 4,999 kW interval metered. 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 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	\$	183.23
Distribution Volumetric Rate	\$/kW	4.7638
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	0.0019
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	(0.6063)
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 - Approved on an Interim Basis	\$/kW	(0.1558)
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until April 30, 2019 Applicable only for Non-RPP Customers	\$/kWh	0.0035

Draft - December 7, 2018

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Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until April 30, 2019	\$/kW	(0.4357)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until April 30, 2019 Applicable only for Non-Wholesale Market Participants	\$/kW	(1.5171)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until April 30, 2019 Applicable only for Non-RPP Customers	\$/kW	0.2854
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until April 30, 2019 Applicable only for Class B Customers	\$/kW	0.0890
Retail Transmission Rate - Network Service Rate	\$/kW	2.7205
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.8449
<b>MONTHLY RATES AND CHARGES - Regulatory Component</b>		
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

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**Kitchener-Wilmot Hydro Inc.**  
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## LARGE USE SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. 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 Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	17,188.81
Distribution Volumetric Rate	\$/kW	1.5736
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 - Approved on an Interim Basis	\$/kW	(1.0756)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until April 30, 2019	\$/kW	(2.3148)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until April 30, 2019 Applicable only for Non-RPP Customers	\$/kW	(0.2835)
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.5569
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	0.7943

### 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

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## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/ documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. 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 (per connection)	\$	7.43
Distribution Volumetric Rate	\$/kWh	0.0144
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until April 30, 2019	\$/kWh	(0.0050)
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until April 30, 2019 Applicable only for Class B Customers	\$/kWh	0.0002
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 - Approved on an Interim Basis	\$/kWh	(0.0020)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0051
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0015

### 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

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## STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. 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	\$	0.75
Distribution Volumetric Rate	\$/kW	5.0131
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	0.0019
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 - Approved on an Interim Basis	\$/kW	(0.7104)
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until April 30, 2019 Applicable only for Non-RPP Customers	\$/kWh	0.0035
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until April 30, 2019	\$/kW	(1.8213)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until April 30, 2019 Applicable only for Non-RPP Customers	\$/kW	0.2908
Rate Rider for Disposition of Capacity Based Recovery Account (2018) - effective until April 30, 2019 Applicable only for Class B Customers	\$/kW	0.0847
Retail Transmission Rate - Network Service Rate	\$/kW	1.6543
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.5143

### 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

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## **EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION**

This classification applies to 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**

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**

Monthly Distribution Wheeling Service Rate - Dedicated LV Line	\$/kW	2.3687
Rate Rider for Disposition of Deferral/Variance Accounts (2019) - effective until December 31, 2019 - Approved on an Interim Basis	\$/kW	(0.1889)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until April 30, 2019	\$/kW	(0.8549)
Retail Transmission Rate - Network Service Rate	\$/kW	2.5650
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.7970

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**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 Condition 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
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## **STANDBY POWER SERVICE CLASSIFICATION**

This classification applies to an account with load displacement facilities that contracts with the distributor to provide emergency standby power when its load displacement facilities are not in operation. The level of the billing demand will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation such as name-plate rating of the load displacement facility. 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 - Approved on an Interim Basis**

Standby Charge - for a month where standby power is not provided, the charge is based on the applicable General Service 50 to 4,999 kW or Large use Distribution Volumetric Charge applied to the contracted amount (e.g. nameplate rating of generation facility).

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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****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 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.

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.

**Customer Administration**

Returned cheque (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	20.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Credit check (plus credit agency costs)	\$	15.00

**Non-Payment of Account**

Late payment - per month	%	1.50
Late payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
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	\$	95.00

**Other**

Meter removal without authorization	\$	60.00
Service call - after regular hours	\$	105.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	43.63

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## RETAIL SERVICE CHARGES (if applicable)

### 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.

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	1.0351
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0154
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0226
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0053