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# **DECISION AND RATE ORDER**

**EB-2019-0073**

**WELLINGTON NORTH POWER INC.**

**Application for rates and other charges to be effective May 1, 2020**

**By Delegation, Before: Pascale Duguay**

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**[ date ]**

# 1 INTRODUCTION AND SUMMARY

Through this Decision and Rate Order, the Ontario Energy Board (OEB) approves the incentive rate-setting mechanism (IRM) application filed by Wellington North Power Inc. (Wellington North Power) for new rates effective May 1, 2020.

Wellington North Power serves approximately 3,700 mostly residential and commercial electricity customers in the Town of Mount Forest, Village of Arthur and the Village of Holstein. The company is seeking the OEB's approval for the rates it charges to distribute electricity to its customers, as is required of licensed 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 [Handbook for Utility Rate Applications](#).

Wellington North 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 typically 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 increase of \$0.96 before taxes and the Ontario Electricity Rebate<sup>1</sup> for a residential customer consuming 750 kWh, effective May 1, 2020.

## 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 hearing 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, as a placeholder, information from the distributor's past proceedings and annual reporting requirements.<sup>2</sup> A distributor will then review and complete the Rate Generator Model, and include it with its application.

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<sup>1</sup> O. Reg 363/16, s. 3, effective November 1, 2019

<sup>2</sup> The Rate Generator Model is a Microsoft Excel workbook that is used to update 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. During the course of an IRM proceeding,

Wellington North Power filed its application on November 22, 2019 under section 78 of the OEB Act and in accordance with the Chapter 3 of the OEB's [Filing Requirements for Incentive Rate-Setting Applications](#) (Filing Requirements) and [Addendum to Filing Requirements for Electricity Distribution Rate Applications](#).

The application was supported by pre-filed written evidence and a completed Rate Generator Model. During the course of the proceeding, the applicant responded to OEB staff questions through emails and phone calls and, where required, updated and clarified the evidence.

### 3 ORGANIZATION OF THE DECISION

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

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

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<sup>3</sup> 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

Wellington North Power seeks to increase its rates, effective May 1, 2020, based on a mechanistic rate adjustment using the OEB-approved ***inflation minus X-factor*** formula

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the Rate Generator Model may be updated in order to make any necessary corrections, or to incorporate new rate-setting parameters as they become available.

<sup>3</sup> Specific service charges have been amended by the OEB through: the Report of the OEB – "Wireline Pole Attachment Charges", EB-2015-0304, Issued March 22, 2018; and, the Decision and Order on Energy Retail Service Charges EB-2015-0304, Issued on February 14, 2019. Certain Service Charges are subject to annual inflationary adjustments to be determined by the OEB through a generic order. The Decision and Order EB-2019-0280 issued November 28, 2019 for energy retailer service charges, and the cover letter dated November 28, 2019 "Inflation Adjustment for Energy Retailer Service Charges (EB-2019-0280) and Wireline Pole Attachment Charge (EB-2015-0304) for Electricity Distributors", established the adjustments effective January 1, 2020.

applicable to Price Cap IR applications.

The components of the Price Cap IR adjustment formula applicable to Wellington North Power are set out in Table 4.1, below. Inserting these components into the formula results in a 1.55% increase to Wellington North Power's rates: **1.55% = 2.00% - (0.00% + 0.45%)**).

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

Components		Amount
Inflation Factor <sup>4</sup>		2.00%
X-Factor	Productivity <sup>5</sup>	0.00%
	Stretch (0.00% – 0.60%) <sup>6</sup>	0.45%

The inflation factor of 2.00% applies to all Price Cap IR applications for the 2020 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 and Annual IR Index applications for the 2020 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

<sup>4</sup> For the 2020 Inflation Factor, see Ontario Energy Board 2020 Electricity Distribution Rate applications webpage - October 31, 2019.

<sup>5</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>6</sup> The stretch factor groupings are based on the Report to the Ontario Energy Board – “Empirical Research in Support of Incentive Rate-Setting: 2018 Benchmarking Update”, prepared by Pacific Economics Group LLC., August 15, 2019.

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 Wellington North Power is 0.45%.

## Findings

The OEB finds that Wellington North Power's request for a 1.55% rate adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Wellington North Power's new rates shall be effective May 1, 2020.

The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.<sup>7</sup>

## 5 RETAIL TRANSMISSION SERVICE RATES

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

Wellington North Power is fully embedded within Hydro One Networks Inc.'s distribution system and is requesting approval to adjust the RTSRs that it charges its customers to reflect the currently approved rates that it pays for transmission services included in Table 5.1.

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<sup>7</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.

**Table 5.1: Hydro One Networks Inc. Sub-Transmission Host-RTSRs<sup>8</sup>**

<b>Sub-Transmission Host RTSRs (2020)</b>	<b>per kW</b>
Network Service Rate	\$3.40
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.80
Transformation Connection Service Rate	\$2.02

## Findings

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

The OEB finds Hydro One Networks Inc.'s 2020 host sub-transmission RTSRs were incorporated into the rate model to adjust the RTSRs that Wellington North Power will charge its customers.

## 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 balances should be disposed.<sup>9</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 can justify why balances should not be disposed.<sup>10</sup> If the balance does not exceed the threshold, a distributor may elect to request disposition.

The 2018 actual year-end total balance for Wellington North Power Group 1 accounts including interest projected to April 30, 2020 is a debit of \$77,195. This amount

<sup>8</sup> EB-2019-0043, Decision and Order, December 17, 2019.

<sup>9</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>10</sup> Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)." EB-2008-0046, July 31, 2009.

represents a total debit claim of \$0.0008 per kWh, which does not exceed the disposition threshold, and the utility has not requested disposition.

Wellington North Power's Group 1 accounts were last disposed in its 2016 cost of service decision and order.<sup>11</sup> In this application,<sup>12</sup> OEB staff asked a question with respect to the calculations to determine the percentage proportions of the RPP and Non-RPP kWhs for the global adjustment charges, IESO charge type 148. OEB Staff requested the supporting calculations for the RPP and Non-RPP percentage proportions for June and July 2018. The calculations<sup>13</sup> provided by Wellington North Power showed that the total energy volumes in the formula used for the percentage proportions for the two requested months did not include the embedded generation energy volumes. Wellington North Power confirmed that the exclusion of embedded generation energy volumes in the RPP and Non-RPP percentage proportion calculations was a formula error and that this practice had been applied consistently in the past. In its response to an OEB staff question, Wellington North Power quantified the impact of this error on the balances in accounts 1588 and 1589 since last disposition as depicted below:

**Table 6.1: The Impact of the Error on Accounts 1588 and 1589 Balances<sup>14</sup>**

In \$	2015	2016	2017	2018	Total Impact
Account 1588 RSVA Power	(9,460)	(12,099)	(14,066)	(19,438)	(55,062)
Account 1589 Global Adjustment	9,460	12,099	14,066	19,438	55,062

Wellington North Power's total 2018 year-end balance for Group 1 accounts is not affected because the formula error is offset between the balances in Account 1588 and Account 1589. Wellington North Power's updated deferral and variance account (DVA) continuity schedule shows the following changes for Account 1588 and Account 1589:

<sup>11</sup> EB-2015-0110, Decision and Rate Order, April 6, 2016.

<sup>12</sup> OEB staff's questions to Wellington North Power, February 7, 2020, Question #1.

<sup>13</sup> Wellington North Power's Response to OEB staff Question #1, February 12, 2020.

<sup>14</sup> Wellington North Power's Response to OEB staff Question #1, February 19, 2020.

- Account 1588's 2018 year-end principal balance adjusted for 2019 disposition has decreased by \$55,062 to a debit balance of \$18,901 from the as-filed debit balance of \$73,964
- Account 1589's 2018 year-end principal balance adjusted for 2019 disposition has decreased by \$55,062 to a credit balance of \$30,202 from the as-filed credit balance of \$85,265.

In its response to an OEB staff question,<sup>15</sup> Wellington North Power stated that the utility implemented the new accounting guidance in September 2019, at which time it implemented the inclusion of embedded generation kWh volume to calculate the RPP and Non-RPP splits for September 2019 and onwards. In addition, Wellington North Power stated that it made corrections to the RPP and Non-RPP split calculations in January 2019 to August 2019.

In 2018, the OEB suspended its approvals of Group 1 rate riders on a final basis pending the development of further accounting guidance on commodity pass-through variance accounts.<sup>16</sup> The OEB then issued accounting guidance<sup>17</sup> on the commodity accounts on February 21, 2019. In this letter, the OEB indicated that it expects distributors to consider the accounting guidance in the context of historical balances that have not yet been disposed on a final basis. Distributors are expected to make any adjustments needed prior to filing for final disposition.

In the application, Wellington North Power confirmed it implemented the new accounting guidance related to Accounts 1588 and 1589 in September 2019, which included a review and adjustment of balances from January 1, 2019 onwards.

Wellington North Power stated that it is planning to submit a cost of service rate application later this year, for 2021 distribution rates, in which the utility will request the final disposition of the DVA balances since last disposition.

## Findings

The OEB finds that the adjustments to correct the formula error for the allocation of IESO GA Charge Type 148, relating to the percentage allocation of RPP and Non-RPP kWh volumes appear reasonable. The OEB confirms that the threshold calculation is correct and is not impacted by the adjustments identified in the application because the

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<sup>15</sup> *Ibid.*

<sup>16</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.

<sup>17</sup> Accounting Procedures Handbook Update – Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589, February 21, 2019.



total DVA balances remain the same. No disposition is required at this time, as the disposition threshold has not been exceeded and the utility did not request disposition.

## 7 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 Wellington North Power's last cost of service decision, and to ensure that the 2019 OEB-approved Tariff of Rates and Charges, as well as the cost, revenue and consumption results from 2018, are as reported by Wellington North 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 7.1: Regulatory Charges**

Rate	per kWh
Rural or Remote Electricity Rate Protection (RRRP)	\$0.0005
Wholesale Market Service (WMS) billed to Class A and B Customers	\$0.0030
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 17, 2019.<sup>18</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>19</sup>

<sup>18</sup> EB-2019-0278, Decision and Order, December 17, 2019.

<sup>19</sup> EB-2017-0290, Decision and Order, 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 May 1, 2020 for electricity consumed or estimated to have been consumed on and after such date. Wellington North Power Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new final rates.

**DATED** at Toronto, [Date]

**ONTARIO ENERGY BOARD**

Christine E. Long  
Registrar and Board Secretary

**Schedule A**

**To Decision and Rate Order**

**Tariff of Rates and Charges**

**OEB File No: EB-2019-0073**

**DATED: [Date]**

**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2020**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2019-0073

## RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to Customers residing in residential dwelling units. Energy is generally supplied as single phase, 3-wire, 60-Hertz, having a nominal voltage of 120/240 Volts. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

## APPLICATION

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

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

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

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

## MONTHLY RATES AND CHARGES - Delivery Component

Monthly Service Charge	\$	36.39
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	1.47
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Low Voltage Service Rate	\$/kWh	0.0029
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0068
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0057

## MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2020**  
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EB-2019-0073

## GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to customers in General Service buildings with a connected load less than 50 kW, and Town Houses and Condominiums that require centralized bulk metering. General Service buildings are defined as buildings that are used for purposes other than single-family dwellings. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

Monthly Service Charge	\$	43.75
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	1.77
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0188
Low Voltage Service Rate	\$/kWh	0.0025
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kWh	0.0008
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0063
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Wellington North Power Inc.**  
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## **GENERAL SERVICE 50 TO 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 1,000 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.

If included in the following listing of monthly rates and charges, 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.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It 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 non-RPP Class B customers.

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

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

Monthly Service Charge	\$	289.38
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	11.73
Distribution Volumetric Rate	\$/kW	2.7600
Low Voltage Service Rate	\$/kW	0.9952
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kW	0.1118
Retail Transmission Rate - Network Service Rate	\$/kW	2.6330
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9271

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**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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EB-2019-0073

## GENERAL SERVICE 1,000 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, 1,000 kW but less 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.

If included in the following listing of monthly rates and charges, 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.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It 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 non-RPP Class B customers.

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

### MONTHLY RATES AND CHARGES - Delivery Component

Monthly Service Charge	\$	2,365.10
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	95.84
Distribution Volumetric Rate	\$/kW	3.1994
Low Voltage Service Rate	\$/kW	1.0911
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kW	0.1297
Retail Transmission Rate - Network Service Rate	\$/kW	2.7966
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.1128



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**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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EB-2019-0073

## **UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION**

This classification applies to an account 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, decorative street lighting, billboards, 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**

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

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

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

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

Monthly Service Charge	\$	29.71
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	1.20
Distribution Volumetric Rate	\$/kWh	0.0163
Low Voltage Service Rate	\$/kWh	0.0025
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kWh	0.0007
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0063
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047

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

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Wellington North Power Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2020**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2019-0073

## **SENTINEL LIGHTING SERVICE CLASSIFICATION**

This classification refers to accounts for unmetered lighting loads supplied to sentinel lights. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

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

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

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

Monthly Service Charge (per connection)	\$	7.75
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	0.31
Distribution Volumetric Rate	\$/kW	28.6379
Low Voltage Service Rate	\$/kW	0.7856
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kW	1.1605
Retail Transmission Rate - Network Service Rate	\$/kW	1.9957
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5210

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

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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## **STREET LIGHTING SERVICE CLASSIFICATION**

This classification refers to accounts for roadway lighting with a Municipality, Regional Municipality, and Ministry of Transportation. 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**

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

Monthly Service Charge (per connection)	\$	1.68
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$	0.07
Distribution Volumetric Rate	\$/kW	1.8527
Low Voltage Service Rate	\$/kW	0.7695
Rate Rider for Recovery of Advanced Capital Module (2018) - effective until the effective date of the next cost of service-based rate order	\$/kW	0.0751
Retail Transmission Rate - Network Service Rate	\$/kW	1.9856
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4901

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

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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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 Conditions of Service.

## **APPLICATION**

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

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

Monthly Service Charge	\$	15.69
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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**

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**Customer Administration**

Notification charge	\$	15.00
Account history	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

**Non-Payment of Account**

Late payment - per month		
(effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection at meter - during regular hours	\$	65.00
Reconnection at meter - after regular hours	\$	185.00
Reconnection at pole - during regular hours	\$	185.00
Reconnection at pole - after regular hours	\$	415.00

**Other**

Interval meter load management tool charge \$/month	\$	50.00
Service call - customer owned equipment	\$	30.00
Service call - customer-owned equipment - after regular hours	\$	165.00
Temporary service - install & remove - overhead - no transformer	\$	500.00
Specific charge for access to the power poles - \$/pole/year	\$	44.50
(with the exception of wireless attachments)		

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## RETAIL SERVICE CHARGES (if applicable)

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	102.00
Monthly fixed charge, per retailer	\$	40.80
Monthly variable charge, per customer, per retailer	\$/cust.	1.02
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.61
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.61)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.51
Processing fee, per request, applied to the requesting party	\$	1.02
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)	\$	4.08
Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019)	\$	2.04

## 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	1.0656
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0549