

# **DECISION AND RATE ORDER**

**EB-2019-0033**

**ERTH POWER CORPORATION**

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

**By Delegation, Before: Jane Scott**

---

**[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 ERTH Power Corporation (ERTH Power) for new rates effective May 1, 2020.

On March 14, 2018, Erie Thames Powerlines Corporation submitted a Mergers Acquisitions, Amalgamations and Divestitures (MAADs) application seeking approval to amalgamate Erie Thames Powerlines Corporation (Erie Thames Powerlines) and West Coast Huron Energy Inc. (West Coast Huron Energy).

On June 19, 2018, Erie Thames Powerlines changed its name to ERTH Power Corporation.<sup>1</sup>

On December 20, 2018, the OEB approved the amalgamation and deferred rate re-basing from the closing date for nine years.<sup>2</sup> ERTH Power notified the OEB the transaction was complete effective January 8, 2019.

As approved in the MAADs proceeding and as noted in its Electricity Distribution Licence,<sup>3</sup> ERTH Power maintains two separate rate zones, the Main rate zone, which represents the legacy service territory of the former Erie Thames Powerlines, and the Goderich rate zone, which represents the legacy service territory of the former West Coast Huron Energy. The distributor will continue to operate the two rate zones until such time as rates are rebased.

ERTH Power serves approximately 23,000 mostly residential and commercial electricity customers in the municipalities of Port Stanley, Aylmer, Belmont, Ingersoll, Thamesford, Otterville, Norwich, Burgessville, Beachville, Embro, Tavistock, Mitchell, Dublin and Clinton, and the Town of Goderich. 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](#).

ERTH Power's application for the Main rate zone is based on a Price Cap Incentive Rate-setting option (Price Cap IR). The Price Cap IR option involves the setting of rates through a cost of service application in the first year. Mechanistic price cap adjustments,

---

<sup>1</sup> Erie Thames Powerlines' Electricity Distribution Licence (ED-2002-0516) was amended in the OEB's August 30, 2018 Decision and Order (EB-2018-0220) which changed the name that appears on the Licence from Erie Thames Powerlines Corporation to ERTH Power Corporation.

<sup>2</sup> EB-2018-0082, Decision and Order, December 20, 2018

<sup>3</sup> ED-2002-0516

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.

ERTH Power's application for the Goderich rate zone is based on the Annual IR Index option to set rates for 2020. Annual IR Index is based on inflation less the OEB's highest stretch factor assessment of a distributor's efficiency. In accordance with the OEB-approved 2020 parameters for an Annual IR Index adjustment, ERTH Power applied for an increase of 1.40% to distribution rates for the Goderich rate zone.

As a result of the OEB's findings in this Decision, effective May 1, 2020, there will be a monthly total bill increase of \$0.08 before taxes and the Ontario Electricity Rebate<sup>4</sup> for a residential customer in the Main rate zone consuming 750 kWh. Similarly, there will be a monthly total bill increase of \$4.33 before taxes and the Ontario Electricity Rebate<sup>5</sup> for a residential customer in the Goderich rate zone consuming 750 kWh.

## 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 or an Annual 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>6</sup> A distributor will then review and complete the Rate Generator Model, and include it with its application.

ERTH Power filed its application on November 5, 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 two completed Rate Generator Models. During the course of the proceeding, the applicant responded to

---

<sup>4</sup> O. Reg 363/16, s. 3, effective November 1, 2019

<sup>5</sup> O. Reg 363/16, s. 3, effective November 1, 2019

<sup>6</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, 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.

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 ERTH Power's proposals relating to each of them:

- Price Cap Adjustment and Annual IR Index Adjustment
- Shared Tax Adjustments (Goderich rate zone)
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Lost Revenue Adjustment Mechanism Variance Account Balance

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>7</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 AND ANNUAL IR INDEX ADJUSTMENT

ERTH Power seeks to increase its rates for the Main rate zone, effective May 1, 2020, 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 adjustment formula applicable to ERTH Power's Main rate zone are set out in Table 4.1, below. Inserting these components into the

---

<sup>7</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.

formula results in a 1.70% increase to rates:  $1.70\% = 2.00\% - (0.00\% + 0.30\%)$ .

**Table 4.1: Price Cap IR Adjustment Formula – Main Rate Zone**

| Components                    |                                       | Amount |
|-------------------------------|---------------------------------------|--------|
| Inflation Factor <sup>8</sup> |                                       | 2.00%  |
| X-Factor                      | Productivity <sup>9</sup>             | 0.00%  |
|                               | Stretch (0.00% – 0.60%) <sup>10</sup> | 0.30%  |

ERTH Power seeks to increase its rates for the Goderich rate zone, effective May 1, 2020, based on a mechanistic rate adjustment using the OEB-approved ***inflation minus X-factor*** formula applicable to Annual IR Index applications.

The components of the Annual IR Index adjustment formula applicable to ERTH Power's Goderich rate zone are set out in Table 4.2, below. Inserting these components into the formula results in a 1.70% increase to rates:  $1.40\% = 2.00\% - (0.00\% + 0.60\%)$ .

**Table 4.2: Annual IR Index Adjustment Formula – Goderich Rate Zone**

| Components       |                         | Amount |
|------------------|-------------------------|--------|
| Inflation Factor |                         | 2.00%  |
| X-Factor         | Productivity            | 0.00%  |
|                  | Stretch (0.00% – 0.60%) | 0.60%  |

The inflation factor of 2.00% applies to all Price Cap IR and Annual IR Index 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

<sup>8</sup> For the 2020 Inflation Factor, see Ontario Energy Board 2020 Electricity Distribution Rate applications webpage - October 31, 2019.

<sup>9</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>10</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.

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 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 ERTH Power's Main rate zone is 0.30%.

For Annual IR Index applications, the OEB applies a default stretch factor of 0.60%.

## Findings

The OEB finds that ERTH Power's request for a 1.70% rate adjustment for the Main rate zone and 1.40% rate adjustment for the Goderich rate zone is in accordance with the annually updated parameters set by the OEB. The adjustments are approved, and ERTH Power's new rates shall be effective May 1, 2020.

The adjustment for each rate zone applies to distribution rates (fixed and variable) uniformly across all customer classes.<sup>11</sup>

## 5 SHARED TAX ADJUSTMENTS (GODERICH RATE ZONE)

In any adjustment year of an Annual IR Index or a Price Cap IR term, a change in legislation may result in a change to the amount of taxes payable by a distributor. With regard to IRM applications, the OEB has long held that the impact of such legislated tax changes be shared 50/50 between shareholders and ratepayers. The shared tax

---

<sup>11</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.

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 the distributor's last cost of service proceeding.

On July 25, 2019, the OEB issued a letter<sup>12</sup> providing accounting guidance with respect to recent changes in capital cost allowance (CCA) rules. The guidance provides that impacts from changes in CCA rules will not be assessed in IRM applications, and that any request for disposition of amounts related to CCA changes is to be deferred to the distributor's next cost-base rate application. A distributor's request for disposition of shared tax adjustment amounts in an IRM application should, therefore, be comprised only of impacts for tax changes unrelated to CCA (such as changes in corporate income tax rates).

The application identifies a total tax decrease of \$5,932 for the Goderich rate zone, resulting in a shared credit amount of \$2,966 to be refunded to ratepayers in the Goderich rate zone.

This allocated tax sharing amount does not produce a rate rider in one or more rate classes. In such situations, where the Rate Generator Model does not compute rate riders, distributors typically are required to transfer the entire OEB-approved tax sharing amount into the Disposition and Recovery of Regulatory Balances Control Account (Account 1595) for disposition at a later date.

## Findings

The OEB approves the tax refund of \$2,966 for the Goderich rate zone.

The allocated tax sharing credit amount does not produce a rate rider in one or more rate classes. The OEB therefore directs ERTH Power to record the OEB-approved tax sharing credit amount of \$2,966 into Account 1595 "Sub-account Principal Balances Approved for Disposition in 2020" for the Goderich rate zone, by June 30, 2020, for disposition at a later date.

## 6 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

---

<sup>12</sup> OEB Accounting Direction Regarding Bill C-97 and Other Changes in Regulatory or Legislated Tax Rules for Capital Cost Allowance, July 25, 2019.

to distributors embedded within the host's distribution system. Each of these rates are OEB-approved.

ERTH Power's Main rate zone is partially embedded within Hydro One Networks Inc.'s distribution system; the Goderich rate zone is transmission connected. ERTH Power 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 6.1 and Table 6.2.

**Table 6.1: UTRs<sup>13</sup>**

| UTRs (2020)                            | per kW |
|--|--------|
| Network Service Rate                   | \$3.92 |
| <u>Connection Service Rates</u>        |        |
| Line Connection Service Rate           | \$0.97 |
| Transformation Connection Service Rate | \$2.33 |

**Table 6.2: Hydro One Networks Inc. Sub-Transmission Host-RTSRs<sup>14</sup>**

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

## Findings

ERTH Power's proposed adjustment to its RTSRs for both rate zones is approved. ERTH Power's RTSRs were adjusted to reflect the OEB-approved interim 2020 UTRs and host-RTSRs.

<sup>13</sup> EB-2019-0296, Decision and Interim Rate Order, December 19, 2019

<sup>14</sup> EB-2019-0043, Decision and Order, December 17, 2019



The OEB finds that the interim 2020 UTRs and Hydro One Networks Inc.'s 2020 host sub-transmission RTSRs were incorporated appropriately into the rate models to adjust the RTSRs that ERTH Power will charge its customers in each respective rate zone.

The differences resulting from the approval of final 2020 UTRs will be captured in ERTH Power's Accounts RSVA – Retail Transmission Network Charge 1584 and Retail Transmission Connection Charge 1586 for each rate zone.

## 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>15</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>16</sup> If the balance does not exceed the threshold, a distributor may elect to request disposition.

### ERTH Power - Main Rate Zone

The 2018 actual year-end total balance for the Main rate zone's Group 1 accounts including interest projected to April 30, 2020 is a debit of \$1,016,135. This amount represents a total debit claim of \$0.0020 per kWh, which exceeds the disposition threshold. ERTH Power has requested disposition of the debit amount over a one-year period.

#### a) *Global Adjustment Variance Account*

One of the components of the commodity costs billed by the Independent Electricity System Operator (IESO), which is included in Group 1 accounts, is the Global Adjustment (GA).<sup>17</sup>

---

<sup>15</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>16</sup> Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)", EB-2008-0046, July 31, 2009

<sup>17</sup> The GA is established monthly by the IESO to reflect the difference between the wholesale market price for electricity and regulated rates for:

- Ontario Power Generation's nuclear and hydroelectric generating stations
- payments for building or refurbishing infrastructure such as gas-fired and renewable facilities and other nuclear
- contracted rates paid to a number of generators across the province
- the cost of delivering conservation programs.

Different customer groups pay the GA in different ways:

- For Regulated Price Plan (RPP) customers, the GA is incorporated into the standard commodity rates customers pay. Therefore, there is no separate variance account for the GA.
- "Class A" customers are allocated GA costs based on the percentage their demand contributes to the top five Ontario system peaks. As distributors settle with Class A customers based on actual GA costs, there is no resulting variance.
- "Class B" non-RPP customers are billed GA based on the electricity they consume in a month at the IESO published GA price. Distributors track any difference between the billed amounts and actual costs for these customers in the GA Variance Account for disposal, once audited.

Under the general principle of cost causality, customer groups that cause variances which are recorded in Group 1 accounts should be responsible for paying (or receiving credits) for their disposal. A customer's movement from one group to another should not prevent that customer from paying/receiving a debit/credit balance.

ERTH Power proposes the recovery of its GA variance account balance of \$120,950 for the Main rate zone as at December 31, 2018, including interest to April 30, 2020, in accordance with the following table.

**Table 7.1: Main Rate Zone - Recovery of GA Variance**

| Proposed Amounts  | Proposed Method for Recovery        |
|---|-------------------------------------|
| \$113,989 recovered from customers who were Class B for the entire period from January 2018 to December 2018                      | per kWh rate rider                  |
| \$6,197 recovered from customers formerly in Class B during the period January 2018 to June 2018 who were reclassified to Class A | 12 equal installments <sup>18</sup> |
| \$764 recovered from customers formerly in Class A during the period January 2018 to June 2018 who were reclassified to Class B   | 12 equal installments <sup>19</sup> |

<sup>18</sup> 2020 IRM Rate Generator Model, Tab 6.1a "GA Allocation"

<sup>19</sup> Ibid.

*b) Capacity Based Recovery Class B Sub-account*

The balance of the Group 1 accounts includes the Capacity Based Recovery (CBR) sub-account credit balance for Class B customers of \$2,215, relating to the IESO's wholesale energy market for the CBR program. ERTH Power had Class A customers during the period from January 2018 to December 2018 in the Main rate zone 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 – Wholesale Market Service Charge control account to be disposed through the general purpose Group 1 Deferral and Variance Account.

*c) Group 1 Accounts*

The Group 1 accounts being sought for disposition (excluding global adjustment) include the following flow through variance accounts: Low Voltage Charges, Smart Meter Entity Charges, Wholesale Market Service Charges, Retail Transmission Service Charges, Commodity Power Charges, and Account 1595 residual balance. These Group 1 accounts have a total debit balance of \$895,185, which results in a charge to customers. This balance combined with the balance for the global adjustment account results in the total debit balance for Group 1 accounts of \$1,016,135.

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record Keeping Requirements*.<sup>20</sup> ERTH Power further submits that its proposal for a one-year disposition period is in accordance with the OEB's policy.<sup>21</sup>

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>22</sup> The OEB issued accounting guidance<sup>23</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.

ERTH Power indicated that it has implemented the new accounting guidance by August 2019. However, ERTH Power does not have the consumption data monthly for 2019 for its Main rate zone to retroactively implement the accounting guidance to January 1,

<sup>20</sup> Electricity Reporting and Record Keeping Requirements, Version dated May 3, 2016

<sup>21</sup> Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)", EB-2008-0046, July 31, 2009

<sup>22</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>23</sup> Accounting Procedures Handbook Update – Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589, February 21, 2019

2019. It would need to make billing system changes to isolate monthly actual consumption required by the new accounting guidance.

In the 2018 cost of service rate proceeding<sup>24</sup> for the Main rate zone,<sup>25</sup> 2016 Group 1 balances were approved for disposition on an interim basis. In the 2019 rate proceeding<sup>26</sup> for the Main rate zone, 2017 Group 1 balances were approved for disposition on an interim basis. The Account 1588 transactions including principal adjustments are as follows:

**Table 7.2: Main Rate Zone - Annual Account 1588 Transactions**

| <b>Account 1588</b> | <b>Principal</b> | <b>Principal Adjustment</b> | <b>Total Transactions</b> |
|---------------------|------------------|-----------------------------|---------------------------|
| 2016                | (\$652,103)      | \$1,299,176                 | \$647,073                 |
| 2017                | \$2,037,311      | (\$1,961,638)               | \$75,671                  |
| 2018                | \$1,092,134      | (\$40,721)                  | \$1,051,413               |

The debit \$1,299,176 principal adjustment in 2016 was due to an error to correct the GA cost allocation between RPP and Non-RPP customers.<sup>27</sup> The credit principal adjustment of \$1,961,638 in 2017 was for i) the reversal of the 2016 principal adjustment and ii) the RPP settlement true-up for December 2017 that was recorded in 2018.<sup>28</sup>

In the current proceeding, ERTH Power indicated that it is confident that there are no systemic issues with the RPP settlement and related accounting processes in its review of historical balances in the context of the new accounting guidance.<sup>29</sup> ERTH Power is requesting disposition of its 2018 balances on an interim basis.

In response to OEB staff's question regarding the Account 1588 balance, ERTH Power revised the transactions including principal adjustments from a debit amount of \$1,343,519 to a debit amount of \$1,051,413 for 2018 to correct principal adjustment amounts for RPP settlement true-ups. OEB staff further questioned the revised amount in Account 1588, where the debit amount of \$1,051,413 was approximately 19% of the

<sup>24</sup> EB-2017-0038

<sup>25</sup> the former Erie Thames Powerlines

<sup>26</sup> EB-2018-0030

<sup>27</sup> Ibid. GA Analysis Workform, Appendix A #4

<sup>28</sup> Ibid. GA Analysis Workform, Appendix A #2

<sup>29</sup> OEB Staff Follow-Up Question #11c, February 13, 2020

reported cost of power.<sup>30</sup> ERTH Power responded that its detailed review of the balance determined that the balance is accurate.

## Findings

The OEB approves the disposition of a credit balance of \$214,242 as of December 31, 2018, including interest projected to April 30, 2020 for Group 1 accounts excluding Accounts 1588 and 1589 on an interim basis.

ERTH Power's request for disposition of the Main rate zone's Accounts 1588 and 1589 balances on an interim basis is denied.

The principal adjustments ERTH Power identified would have ensured that transactions are accounted for in the appropriate year. The OEB notes that the Account 1588 transactions, including principal adjustments, for 2018 are large; and that Account 1588 is not generally expected to have a large annual balance, as it should only hold the difference between actual and approved line losses. The OEB also notes that transactions including principal adjustments have fluctuated greatly from 2016 to 2018, ranging from a debit amount of \$75,671 to a debit amount of \$1,051,413. In addition, there was a significant misallocation error identified in the 2016 Account 1588 and Account 1589 balances. A large annual balance and the significant fluctuations year-over-year in the account could be indicative of other issues in the accounting processes for the Main rate zone, including quantification of principal adjustments.

The OEB is not satisfied that ERTH Power has sufficiently addressed the issues for Account 1588. The OEB understands that adjustments to Account 1588 may lead to adjustments in Account 1589 as the two accounts are closely connected. Therefore, the OEB will not approve disposition of Accounts 1588 and 1589 at this time.

With regards to the implementation of the new accounting guidance retroactive to January 1, 2019, in the past the OEB has noted the importance of standardizing the accounting procedures related to Account 1588 Account 1589.<sup>31</sup> Also, the OEB is unclear whether the lack of retroactive implementation would affect the account 1588 and 1589 balances as it is unclear whether the pro-ratio of the IESO charge type 148 for global adjustment would be trued up to actual consumption for the month.

The OEB directs ERTH Power to implement the new accounting guidance retroactive to January 1, 2019. However, if ERTH Power finds that this is not feasible, ERTH Power

---

<sup>30</sup> OEB Staff Follow-Up Question #6, February 13, 2020. Reported cost of power would be the 2018 Account 4705 – Cost of Power balance that was reported in Reporting and Record Keeping Requirements 2.1.7.

<sup>31</sup> July 20, 2018 letter *OEB's Plan to Standardize Processes to Improve Accuracy of Commodity Pass-Through Variance Accounts* and February 21, 2019 letter *Accounting Guidance related to Accounts 1588 RSVA Power, and 1589 RSVA Global Adjustment*

should review the new accounting guidance and assess whether there would be account balance differences between ERTH Power's approach and the approach under the new accounting guidance, and discuss the results of this assessment in its next rate application.

Based on the evidence on the record, and the fact that commodity is one of the largest cash items that a distributor the size of ERTH Power manages on a monthly basis, the OEB has considered directing ERTH Power to conduct an external special purpose audit review of Accounts 1588 and 1589 for the period January 1, 2016 to December 31, 2019. The special purpose audit of Accounts 1588 and 1589 would include a review of the balances and principal adjustments in accordance with the new accounting guidance, as well as ERTH Power Main rate zone's accounting and settlement processes to ensure it has implemented the new accounting guidance appropriately. However, given that, as noted below, the OEB only recently completed an audit of Accounts 1588 and 1589 for the Goderich rate zone, it should be possible for ERTH Power to apply lessons learned from the Goderich rate zone to the Main rate zone Accounts 1588 and 1589 in order to provide reassurance to the OEB in its next rate application of the accuracy of its balances. In its next rate application, the OEB expects, at a minimum that ERTH Power discuss the differences between the Goderich and the Main rate zones' accounting processes for Accounts 1588 and 1589, as well as the RPP settlement process, and how ERTH Power has applied the lessons learned from the Goderich rate zone audit to the Main rate zone. The OEB also expects ERTH Power to address the Main rate zone's large 2018 balance for Account 1588.

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

**Table 7.3: Main Rate Zone - Group 1 Deferral and Variance Account Balances**

| <b>Account Name</b>                                    | <b>Account Number</b> | <b>Principal Balance (\$) A</b> | <b>Interest Balance (\$) B</b> | <b>Total Claim (\$) C=A+B</b> |
|--|-----------------------|---------------------------------|--------------------------------|-------------------------------|
| LV Variance Account                                    | 1550                  | 427,930                         | 9,506                          | 437,437                       |
| Smart Meter Entity Variance Charge                     | 1551                  | (13,514)                        | (548)                          | (14,062)                      |
| RSVA - Wholesale Market Service Charge                 | 1580                  | (171,274)                       | 2,475                          | (168,798)                     |
| Variance WMS - Sub-account CBR Class B                 | 1580                  | (1,793)                         | (422)                          | (2,215)                       |
| RSVA - Retail Transmission Network Charge              | 1584                  | (81,389)                        | (776)                          | (82,165)                      |
| RSVA - Retail Transmission Connection Charge           | 1586                  | 7,228                           | (342)                          | 6,886                         |
| Disposition and Recovery of Regulatory Balances (2016) | 1595                  | (446,543)                       | 55,218                         | (391,325)                     |
| <b>Totals for all Group 1 accounts</b>                 |                       | (279,354)                       | 65,112                         | (214,242)                     |

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>32</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. ERTH Power shall

<sup>32</sup> Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

ensure these adjustments are included in the reporting period ending June 30, 2020 (Quarter 2).

The OEB approves these balances to be disposed through interim rate riders, as calculated in the Main rate zone's Rate Generator Model. The interim rate riders, will be in effect over a one-year period from May 1, 2020 to April 30, 2021.<sup>33</sup>

### **ERTH Power - Goderich Rate Zone**

The 2018 actual year-end total balance for the Goderich rate zone's Group 1 accounts including interest projected to April 30, 2020 is a debit of \$299,528. This amount represents a total debit claim of \$0.0022 per kWh, which exceed the disposition threshold. ERTH Power has requested disposition of the debit amount over a one-year period.

ERTH Power proposes the recovery of its GA variance account balance of \$186,587 for the Goderich rate zone as at December 31, 2018, including interest to April 30, 2020, in accordance with the following table.

**Table 7.4: Goderich Rate Zone - Recovery of GA Variance**

| Proposed Amounts                           | Proposed Method for Recovery |
|--|------------------------------|
| \$186,587 recovered from Class B customers | per kWh rate rider           |

#### *a) Capacity Based Recovery Class B Sub-account*

The balance of the Group 1 accounts includes the Capacity Based Recovery (CBR) sub-account credit balance for Class B customers of \$240, relating to the IESO's wholesale energy market for the CBR program. ERTH Power had Class A customers during the period from January 2018 to December 2018 in the Goderich rate zone 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 – Wholesale Market Service Charge control account to be disposed through the general purpose Group 1 Deferral and Variance Account.

#### *b) Group 1 Accounts*

<sup>33</sup> 2020 IRM Rate Generator Model Tab 7 Calculation of Def-Var RR



The Group 1 accounts being sought for disposition (excluding global adjustment) include the following flow through variance accounts: Smart Meter Entity Charges, Wholesale Market Service Charges, Retail Transmission Service Charges and Commodity Power Charges. These Group 1 accounts have a total debit balance of \$112,941, which results in a charge to customers. This balance combined with the balance for the global adjustment account results in the total debit balance for Group 1 accounts of \$299,528.

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record Keeping Requirements*.<sup>34</sup> ERTH Power further submits that its proposal for a one-year disposition period is in accordance with the OEB's policy.<sup>35</sup>

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>36</sup> The OEB issued accounting guidance<sup>37</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 its 2018 rate application<sup>38</sup> for the Goderich rate zone,<sup>39</sup> the OEB did not approve the disposition of Account 1588 RSVA – Power and Account 1589 RSVA – Global Adjustment but stated that an OEB audit to review account balances for 2015 and 2016 calendar years will be conducted, including a review of the company's new true-up process. In its 2019 rate application<sup>40</sup> for the Goderich rate zone, ERTH Power did not receive approval for disposition of Account 1588 and Account 1589 as the audit was still ongoing. The audit has now been completed and ERTH Power filed the Inspection Report<sup>41</sup> in this proceeding. An inspection of the 2015 to 2017 balances for Account 1588 and Account 1589 was conducted. The Inspection Report, dated March 29, 2019 noted three findings; one finding affected account balances from 2015 to 2017. The Inspection Report noted that the correcting adjustments netting to a debit of \$12,470<sup>42</sup>

<sup>34</sup> Electricity Reporting and Record Keeping Requirements, Version dated May 3, 2016

<sup>35</sup> Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)", EB-2008-0046, July 31, 2009

<sup>36</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>37</sup> Accounting Procedures Handbook Update – Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589, February 21, 2019.

<sup>38</sup> EB-2017-0083

<sup>39</sup> the former West Coast Huron Energy

<sup>40</sup> EB-2017-0077

<sup>41</sup> Inspection Report dated March 29, 2019

<sup>42</sup> For debit of \$430,927 for 2015 and 2016, and credit of \$418,457 for 2018

for Account 1588 and a credit of \$430,927 for Account 1589 have been made to the 2017 balances. These adjustments were to rectify:

- i. the use of incorrect RPP and non-RPP consumption data to calculate RPP settlements with the IESO and to pro-rate GA charges between Accounts 1588 and 1589
- ii. not truing up the GA second estimate to the actual GA rates, which was used to calculate GA expenses that were allocated to RPP and non-RPP customers
- iii. an overstatement of RPP revenues in the RPP settlement calculation that was settled with the IESO

ERTH Power indicated that it has made adjustments to its 2018 balances to ensure the amounts requested for disposition adhere to the new accounting guidance. The OEB inspection resulted in changes to its accounting procedures. ERTH Power is requesting disposition of its 2015 to 2018 balances for the Goderich rate zone on an interim basis.

ERTH Power indicated that it has implemented the new accounting guidance going forward by August 2019. ERTH Power will implement the accounting guidance for the Goderich rate zone on a monthly basis, retroactive to January 1, 2019.

## Findings

The OEB is satisfied that ERTH Power has made the necessary adjustments to the account balances based on the results of the Inspection Report. Therefore, the OEB approves the disposition of a debit balance of \$299,528 as of December 31, 2018, including interest projected to April 30, 2020 for Group 1 on an interim basis.

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

**Table 7.5: Goderich Rate Zone - Group 1 Deferral and Variance Account Balances**

| <b>Account Name</b>                          | <b>Account Number</b> | <b>Principal Balance (\$) A</b> | <b>Interest Balance (\$) B</b> | <b>Total Claim (\$) C=A+B</b> |
|--|-----------------------|---------------------------------|--------------------------------|-------------------------------|
| Smart Meter Entity Variance Charge           | 1551                  | (2,437)                         | (81)                           | (2,518)                       |
| RSVA - Wholesale Market Service Charge       | 1580                  | (10,964)                        | 941                            | (10,023)                      |
| Variance WMS - Sub-account CBR Class B       | 1580                  | -                               | (240)                          | (240)                         |
| RSVA - Retail Transmission Network Charge    | 1584                  | (64,881)                        | (2,008)                        | (66,889)                      |
| RSVA - Retail Transmission Connection Charge | 1586                  | 62,213                          | 3,017                          | 65,230                        |
| RSVA - Power                                 | 1588                  | 120,291                         | 7,089                          | 127,381                       |
| RSVA - Global Adjustment                     | 1589                  | 168,302                         | 18,285                         | 186,587                       |
| <b>Totals for all Group 1 accounts</b>       |                       | <b>272,524</b>                  | <b>27,003</b>                  | <b>299,528</b>                |

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>43</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. ERTH Power shall

<sup>43</sup> Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

ensure these adjustments are included in the reporting period ending June 30, 2020 (Quarter 2).

The OEB approves these balances to be disposed through final rate riders as calculated in the Goderich rate zone's Rate Generator Model. The final rate riders will be in effect over a one-year period from May 1, 2020 to April 30, 2021.<sup>44</sup>

## **8 LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT BALANCE**

In recent years, distributors have delivered conservation and demand management (CDM) programs to their customers through the Conservation First Framework (CFF), which began on January 1, 2015. These programs result in reduced total energy consumption. To address the impact of the reduced consumption, the OEB established a Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) to capture a distributor's revenue implications resulting from differences between actual savings and forecast conservation savings included in the last OEB-approved load forecast.<sup>45</sup> These differences are recorded by distributors at the rate class level.

On March 20, 2019, the CFF was revoked.<sup>46</sup> However, the OEB indicated that electricity distributors will continue to have access to a lost revenue adjustment mechanism for conservation program activities undertaken under the CFF.<sup>47</sup>

A distributor may apply for the disposition of the balance in the LRAMVA on an annual basis, as part of its IRM application, if the balance is deemed significant by the distributor.

ERTH Power applied to dispose of a LRAMVA debit balance of \$612,380 for lost revenues in the Main rate zone (of \$491,005) and Goderich rate zone (of \$121,375) inclusive of carrying charges projected to April 30, 2020. As ERTH Power will maintain separate distribution rates for each of the former utilities until it next rebases, it has filed separate LRAMVA claims for each rate zone and proposed to recover the balances over a one-year period.

During the course of this proceeding, there were revisions to the LRAMVA balance primarily related to corrections to the LRAMVA threshold applied in each rate zone. The

---

<sup>44</sup> 2020 IRM Rate Generator Model Tab 7 Calculation of Def-Var RR

<sup>45</sup> Guidelines for Electricity Distributor Conservation and Demand Management, EB-2012-0003, April 26, 2012; and Requirement Guidelines for Electricity Distributors Conservation and Demand Management, EB-2014-0278, December 19, 2014

<sup>46</sup> On March 20, 2019 the Minister of Energy, Northern Development and Mines issued separate Directives to the OEB and the IESO.

<sup>47</sup> Ontario Energy Board letter dated June 20, 2019

net effect of these changes is a decrease of \$44,024 to a revised LRAMVA debit balance of \$568,356 for lost revenues in the Main rate zone (of \$478,025) and Goderich rate zone (of \$90,331).

In the Main rate zone, the revised LRAMVA debit balance of \$478,025 consists of lost revenues from 2017 and 2018 CDM programs delivered during the 2011 to 2018 period. Actual savings in 2017 were compared against forecast savings of 4,594,000 kWh set out in former Erie Thames Powerlines' 2012 cost of service proceeding.<sup>48</sup> Actual savings in 2018 were compared against forecast savings of 11,958,024 kWh set out in former Erie Thames Powerlines' 2018 cost of service proceeding.<sup>49</sup>

In the Goderich rate zone, the revised LRAMVA debit balance of \$90,331 consists of lost revenues from 2013 to 2018 CDM programs delivered during the 2012 to 2018 period. Actual savings were compared against forecast savings of 2,112,142 kWh set out in former West Coast Huron Energy's 2013 cost of service proceeding.<sup>50</sup>

Actual conservation savings claimed by ERTH Power, except for the inclusion of street light and combined heat and power (CHP) demand savings, were determined by the IESO.<sup>51</sup> For CDM programs delivered prior to 2018, the IESO provided LDCs with a Final Results Report that summarized all annual CDM results. For CDM programs delivered in 2018, the IESO made monthly Participation and Cost Reports and detailed project level data available to support LRAMVA applications. For the street light upgrades and CHP demand savings included in the LRAMVA, detailed monthly billed demand data was filed in support of the lost revenues due to the customer's participation in the IESO's CDM programs over the 2012 to 2018 period.

Based on OEB staff questions, ERTH Power noted that a 12-month disposition of the LRAMVA balance for the Street Lighting class will result in a large bill increase ranging from 11% (Main rate zone) to approximately 36% (Goderich rate zone). The street light savings were attributable to multi-year, street light upgrade projects undertaken in nine municipalities<sup>52</sup> within ERTH Power's service territories.

As total bill increases for any customer class in excess of 10% triggers the consideration of a rate mitigation plan, ERTH Power noted in its responses that it was agreeable to extending the disposition period for only the Street Lighting classes for the

---

<sup>48</sup> EB-2012-0121, Decision and Order, November 29, 2012

<sup>49</sup> Response to Staff Question 19 c) ii

<sup>50</sup> EB-2012-0175, Decision and Rate Order, August 29, 2013

<sup>51</sup> For CDM programs delivered from 2015 to 2017, the IESO provided distributors with a Final Results Report that summarized all savings results. For 2018, distributors accessed the Participant and Cost Reports and detailed project level data from the IESO to support LRAMVA applications.

<sup>52</sup> The former Erie Thames Powerlines completed street light upgrades in Central Elgin, Clinton, EZT, Norwich, Zorra, Aylmer, Ingersoll and West Perth. The former West Coast Huron Energy completed street light upgrades in Goderich.

two rate zones, if a different disposition period was allowed for an individual rate class. ERTH Power was also amenable to extend the LRAMVA rate riders for all customer classes if that was preferred by the OEB.<sup>53</sup>

## Findings

The OEB finds that ERTH Power's revised LRAMVA balance has been calculated in accordance with the OEB's CDM-related guidelines and updated LRAMVA policy.

The OEB is of the view that is appropriate to extend the disposition period for Goderich rate zone's Street Lighting class to 36-months, as the bill impacts for all other remaining rate classes are well below 10%. The extended disposition period for Goderich rate zone's Street Lighting class will result in a 14.9% bill increase, which brings the bill impact in line with the Main rate zone of 10.2% (as amended in the proceeding) achieved over a 12-month disposition period.

The OEB approves the disposition of ERTH Power's revised LRAMVA debit balance of \$568,356 as set out in Table 8.1 below.

**Table 8.1 LRAMVA Balance for Disposition**

| Account Name                    | Account Number | Actual CDM Savings (\$)<br>A | Forecasted CDM Savings (\$)<br>B | Carrying Charges (\$)<br>C | Total Claim (\$)<br>D=(A-B)+C |
|---------------------------------|----------------|------------------------------|----------------------------------|----------------------------|-------------------------------|
| ERTH Power - Main rate zone     | 1568           | 544,655                      | 90,435                           | 23,804                     | 478,025                       |
| ERTH Power - Goderich rate zone | 1568           | 182,405                      | 95,997                           | 3,923                      | 90,331                        |
| ERTH Power - Total LRAMVA       | 1568           | 727,060                      | 186,432                          | 27,727                     | 568,356                       |

## 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) for each of the two rate zones.

<sup>53</sup> Response to Staff Questions 25 and 29

Model entries were reviewed in order to ensure that they are in accordance with the last cost of service decisions relating to each of the Main rate zone and the Goderich rate zone, 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 ERTH Power to the OEB.

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

**Table 9.1: Regulatory Charges**

| Rate   | per kWh  |
|--|----------|
| Rural or Remote Electricity Rate Protection (RRRP)               | \$0.0005 |
| 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>54</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>55</sup>

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,<sup>56</sup> the OEB indicated that it will review the default province-wide microFIT charge annually to ensure it continues to reflect actual costs. In accordance with the established methodology, the OEB has calculated an updated value of \$4.55 per month<sup>57</sup> for the 2020 rate year. The Tariff of Rates and Charges attached as Schedule A reflects this updated charge.

<sup>54</sup> EB-2019-0278, Decision and Order, December 17, 2019

<sup>55</sup> EB-2017-0290, Decision and Order, March 1, 2018

<sup>56</sup> EB-2010-0219, Report of the Board: “Review of Electricity Distribution cost Allocation Policy”, March 31, 2011

<sup>57</sup> OEB letter, issued February 24, 2020

**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. ERTH Power Corporation 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, Month Day, 2020

**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-2019-0033**

**DATED: [Date]**

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to customers residing in residential dwelling units. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

|  |        |          |
|--|--------|----------|
| Service Charge   | \$     | 32.06    |
| Smart Metering Entity Charge - effective until December 31, 2022   | \$     | 0.57     |
| Low Voltage Service Rate   | \$/kWh | 0.0034   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021 | \$/kWh | 0.0006   |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis   | \$/kWh | (0.0005) |
| Retail Transmission Rate - Network Service Rate  | \$/kWh | 0.0060   |
| 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   |

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to General Service buildings requiring a connection with a connected load less than 50 kW, and, Town Houses and Condominiums described in section 3.1.9 of the Distributor's Conditions of Service 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

|  |        |          |
|--|--------|----------|
| Service Charge   | \$     | 22.87    |
| Smart Metering Entity Charge - effective until December 31, 2022   | \$     | 0.57     |
| Distribution Volumetric Rate   | \$/kWh | 0.0145   |
| Low Voltage Service Rate   | \$/kWh | 0.0031   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021 | \$/kWh | 0.0012   |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis   | \$/kWh | (0.0005) |
| Retail Transmission Rate - Network Service Rate  | \$/kWh | 0.0056   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kWh | 0.0054   |

#### 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   |

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### GENERAL SERVICE 50 TO 999 KW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to General Service customers requiring a connection with a connected load, or whose average monthly maximum demand used for billing purposes, is equal to or greater than 50 kW but less than 1000 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 WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

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

#### MONTHLY RATES AND CHARGES - Delivery Component

|  |       |          |
|--|-------|----------|
| Service Charge   | \$    | 127.21   |
| Distribution Volumetric Rate   | \$/kW | 3.0767   |
| Low Voltage Service Rate   | \$/kW | 1.1189   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021 | \$/kW | 0.0222   |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis   | \$/kW | (0.0981) |
| Retail Transmission Rate - Network Service Rate  | \$/kW | 2.5302   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kW | 1.9319   |

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### 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   |

DRAFT

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### GENERAL SERVICE 1,000 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to General Service Customers requiring a connection with a connected load or whose average monthly maximum demand used for billing purposes is equal to or greater than 1000 kW but less than 5000 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 WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

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

#### MONTHLY RATES AND CHARGES - Delivery Component

|  |       |          |
|--|-------|----------|
| Service Charge   | \$    | 2,611.33 |
| Distribution Volumetric Rate   | \$/kW | 1.5911   |
| Low Voltage Service Rate   | \$/kW | 1.1986   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021 | \$/kW | 0.5849   |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis   | \$/kW | (0.1144) |
| Retail Transmission Rate - Network Service Rate  | \$/kW | 2.7468   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kW | 2.0696   |

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### 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   |

DRAFT

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### LARGE USE SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to General Service Customers requiring a connection with a connected load or 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, 5000 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 WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

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

### MONTHLY RATES AND CHARGES - Delivery Component

|  |       |           |
|--|-------|-----------|
| Service Charge   | \$    | 10,665.29 |
| Distribution Volumetric Rate   | \$/kW | 1.9236    |
| Low Voltage Service Rate   | \$/kW | 1.3596    |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021 | \$/kW | 0.6997    |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis   | \$/kW | (0.3268)  |
| Retail Transmission Rate - Network Service Rate  | \$/kW | 3.0450    |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kW | 2.3476    |



# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### 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   |

DRAFT

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose average monthly peak 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 consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of 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 Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

|  |        |          |
|--|--------|----------|
| Service Charge   | \$     | 2.18     |
| Distribution Volumetric Rate   | \$/kWh | 0.0774   |
| Low Voltage Service Rate   | \$/kWh | 0.0031   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021 | \$/kWh | (0.0015) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis   | \$/kWh | (0.0005) |
| Retail Transmission Rate - Network Service Rate  | \$/kWh | 0.0056   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kWh | 0.0054   |

### 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   |

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### SENTINEL LIGHTING SERVICE CLASSIFICATION

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

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

|  |        |          |
|--|--------|----------|
| Service Charge (per connection)  | \$     | 13.67    |
| Distribution Volumetric Rate   | \$/kWh | 0.0992   |
| Low Voltage Service Rate   | \$/kWh | 0.0031   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021 | \$/kWh | (0.0001) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis   | \$/kWh | (0.0005) |
| Retail Transmission Rate - Network Service Rate  | \$/kWh | 0.0056   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kWh | 0.0054   |

### 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   |

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### STREET LIGHTING SERVICE CLASSIFICATION

This Classification refers 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 connection 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 Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

|  |       |          |
|--|-------|----------|
| Service Charge (per connection)  | \$    | 3.83     |
| Distribution Volumetric Rate   | \$/kW | 22.3082  |
| Low Voltage Service Rate   | \$/kW | 1.4231   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021 | \$/kW | 15.3316  |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis   | \$/kW | (0.1713) |
| Retail Transmission Rate - Network Service Rate  | \$/kW | 1.9530   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kW | 2.4564   |

### 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   |

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

This classification refers 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. In addition, the charges in the MONTHLY RATES AND CHARGES -- Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

### MONTHLY RATES AND CHARGES - Delivery Component

|  |       |          |
|--|-------|----------|
| Service Charge   | \$    | 1,739.17 |
| Distribution Volumetric Rate   | \$/kW | 2.9918   |
| Low Voltage Service Rate   | \$/kW | 1.5809   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021 | \$/kW | (0.0082) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis   | \$/kW | (0.1920) |
| Retail Transmission Rate - Network Service Rate  | \$/kW | 3.6747   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kW | 2.7294   |

### 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   |

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### microFIT SERVICE CLASSIFICATION

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

### APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

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

### MONTHLY RATES AND CHARGES - Delivery Component

|                |    |      |
|----------------|----|------|
| Service Charge | \$ | 4.55 |
|----------------|----|------|

### 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) |

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### SPECIFIC SERVICE CHARGES

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

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

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.

#### Customer Administration

|   |    |       |
|---|----|-------|
| Arrears certificate   | \$ | 15.00 |
| Easement letter   | \$ | 15.00 |
| Credit reference/credit check (plus credit agency costs)                                  | \$ | 15.00 |
| Returned cheque (plus bank charges)   | \$ | 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<br>(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 |

#### Other

|  |    |        |
|--|----|--------|
| Temporary service - install & remove - overhead - no transformer   | \$ | 500.00 |
| Temporary service - install & remove - underground - no transformer  | \$ | 300.00 |
| Specific charge for access to the power poles - \$/pole/year<br>(with the exception of wireless attachments) | \$ | 44.50  |

# ERTH Power Corporation - Main Rate Zone

## 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-2019-0033

### RETAIL SERVICE CHARGES (if applicable)

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

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 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   | \$       | 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 | 1.0325 |
| Total Loss Factor - Secondary Metered Customer > 5,000 kW | 1.0144 |
| Total Loss Factor - Primary Metered Customer < 5,000 kW   | 1.0222 |
| Total Loss Factor - Primary Metered Customer > 5,000 kW   | 1.0043 |



**ERTH Power Corporation - Goderich Rate Zone**  
**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-2019-0033

## RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to customers residing in residential dwelling units. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

## APPLICATION

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

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

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

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

## MONTHLY RATES AND CHARGES - Delivery Component

|   |        |        |
|---|--------|--------|
| Service Charge  | \$     | 34.08  |
| Smart Metering Entity Charge - effective until December 31, 2022  | \$     | 0.57   |
| Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021<br>Applicable only for Non-RPP Customers - Approved on an Interim Basis | \$/kWh | 0.0095 |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021                                    | \$/kWh | 0.0008 |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis                                      | \$/kWh | 0.0014 |
| Retail Transmission Rate - Network Service Rate   | \$/kWh | 0.0067 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate  | \$/kWh | 0.0068 |

## 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   |

# ERTH Power Corporation - Goderich Rate Zone

## 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-2019-0033

### GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to the supply of electrical energy to General Service Buildings requiring a connection with a connected load less than 50 kW and, Town Houses and Condominiums described in section 3.1.8 of the distributor's Conditions of Service 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

|   |        |        |
|---|--------|--------|
| Service Charge  | \$     | 33.11  |
| Smart Metering Entity Charge - effective until December 31, 2022  | \$     | 0.57   |
| Distribution Volumetric Rate  | \$/kWh | 0.0114 |
| Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021<br>Applicable only for Non-RPP Customers - Approved on an Interim Basis | \$/kWh | 0.0095 |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021                                    | \$/kWh | 0.0026 |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis                                      | \$/kWh | 0.0014 |
| Retail Transmission Rate - Network Service Rate   | \$/kWh | 0.0061 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate  | \$/kWh | 0.0059 |

### MONTHLY RATES AND CHARGES - Regulatory Component

|  |        |        |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR          | \$/kWh | 0.0030 |
| 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   |

# ERTH Power Corporation - Goderich Rate Zone

## 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-2019-0033

### GENERAL SERVICE 50 TO 499 KW SERVICE CLASSIFICATION

This classification applies to the supply of electrical energy to General Service Customers requiring a connection with a connected load, whose average monthly maximum demand used, for billing purposes, is, or is forecast to be, equal to or greater than 50 kW but less than 500 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

|   |        |        |
|---|--------|--------|
| Service Charge  | \$     | 158.70 |
| Distribution Volumetric Rate  | \$/kW  | 2.4806 |
| Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021<br>Applicable only for Non-RPP Customers - Approved on an Interim Basis | \$/kWh | 0.0095 |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021                                    | \$/kW  | 0.0997 |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis                                      | \$/kW  | 0.5409 |
| Retail Transmission Rate - Network Service Rate   | \$/kW  | 2.4533 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate  | \$/kW  | 2.3926 |

### 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   |

# ERTH Power Corporation - Goderich Rate Zone

## 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-2019-0033

### GENERAL SERVICE 500 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to the supply of electrical energy to General Service Customers requiring a connection with a connected load, whose average monthly maximum demand used, for billing purposes, is, or is forecast to be, equal to or greater than 500 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

|   |        |          |
|---|--------|----------|
| Service Charge  | \$     | 1,683.09 |
| Distribution Volumetric Rate  | \$/kW  | 1.1550   |
| Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021<br>Applicable only for Non-RPP Customers - Approved on an Interim Basis | \$/kWh | 0.0095   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021                                    | \$/kW  | 0.1217   |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis                                      | \$/kW  | 0.6085   |
| Retail Transmission Rate - Network Service Rate   | \$/kW  | 2.6057   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate  | \$/kW  | 2.6232   |

### 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   |

# ERTH Power Corporation - Goderich Rate Zone

## 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-2019-0033

### LARGE USE SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to General Service Customers requiring a connection with a connected load or 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.

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

|  |       |           |
|--|-------|-----------|
| Service Charge   | \$    | 10,124.41 |
| Distribution Volumetric Rate   | \$/kW | 1.8225    |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021 | \$/kW | (0.1506)  |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis   | \$/kW | (0.0047)  |
| Retail Transmission Rate - Network Service Rate  | \$/kW | 2.8855    |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kW | 2.9994    |

### 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   |

# ERTH Power Corporation - Goderich Rate Zone

## 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-2019-0033

### UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak 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, bill boards, etc. The level of consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of 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 Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

|  |        |          |
|--|--------|----------|
| Service Charge (per connection)  | \$     | 77.46    |
| Distribution Volumetric Rate   | \$/kWh | 0.0687   |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2021 | \$/kWh | (0.0062) |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis   | \$/kWh | 0.0015   |
| Retail Transmission Rate - Network Service Rate  | \$/kWh | 0.0061   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kWh | 0.0059   |

### MONTHLY RATES AND CHARGES - Regulatory Component

|  |        |        |
|--|--------|--------|
| Wholesale Market Service Rate (WMS) - not including CBR          | \$/kWh | 0.0030 |
| 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   |

**ERTH Power Corporation - Goderich Rate Zone**  
**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-2019-0033

### SENTINEL LIGHTING SERVICE CLASSIFICATION

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

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

|  |       |        |
|--|-------|--------|
| Service Charge (per connection)  | \$    | 37.96  |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis | \$/kW | 0.5634 |
| Retail Transmission Rate - Network Service Rate  | \$/kW | 1.8585 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate   | \$/kW | 1.8916 |

### 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   |

**ERTH Power Corporation - Goderich Rate Zone**  
**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-2019-0033

## 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 connection load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. Street lighting plant, facilities or equipment owned by the customer are subject to the ESA requirements. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

## APPLICATION

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

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

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

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

## MONTHLY RATES AND CHARGES - Delivery Component

|   |        |         |
|---|--------|---------|
| Service Charge (per connection)   | \$     | 4.64    |
| Distribution Volumetric Rate  | \$/kW  | 25.4118 |
| Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021<br>Applicable only for Non-RPP Customers - Approved on an Interim Basis | \$/kWh | 0.0095  |
| Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)<br>- effective until April 30, 2023                                    | \$/kW  | 13.4430 |
| Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021<br>- Approved on an Interim Basis                                      | \$/kW  | 0.5291  |
| Retail Transmission Rate - Network Service Rate   | \$/kW  | 1.8502  |
| Retail Transmission Rate - Line and Transformation Connection Service Rate  | \$/kW  | 1.8883  |

## 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   |



# ERTH Power Corporation - Goderich Rate Zone

## 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-2019-0033

### microFIT SERVICE CLASSIFICATION

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

### APPLICATION

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

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

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

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

### MONTHLY RATES AND CHARGES - Delivery Component

|                |    |      |
|----------------|----|------|
| Service Charge | \$ | 4.55 |
|----------------|----|------|

### 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) |

**ERTH Power Corporation - Goderich Rate Zone**  
**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-2019-0033

**SPECIFIC SERVICE CHARGES**

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

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

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.

**Customer Administration**

|   |    |       |
|---|----|-------|
| Arrears certificate   | \$ | 15.00 |
| Account set up charge/change of occupancy charge (plus credit agency costs if applicable) | \$ | 30.00 |
| Special meter reads   | \$ | 15.00 |
| Meter dispute charge plus Measurement Canada fees (if meter found correct)                | \$ | 30.00 |

**Non-Payment of Account**

|  |    |        |
|--|----|--------|
| Late payment - per month<br>(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 |

**Other**

|  |    |       |
|--|----|-------|
| Specific charge for access to the power poles - \$/pole/year<br>(with the exception of wireless attachments) | \$ | 44.50 |
|--|----|-------|

**ERTH Power Corporation - Goderich Rate Zone**  
**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-2019-0033

## RETAIL SERVICE CHARGES (if applicable)

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

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 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   | \$       | 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 | 1.0467 |
| Total Loss Factor - Secondary Metered Customer > 5,000 kW | 1.0145 |
| Total Loss Factor - Primary Metered Customer < 5,000 kW   | 1.0362 |
| Total Loss Factor - Primary Metered Customer > 5,000 kW   | 1.0045 |