



Ontario
Energy
Board

Commission
de l'énergie
de l'Ontario

DECISION AND RATE ORDER

EB-2019-0066

RIDEAU ST. LAWRENCE DISTRIBUTION INC.

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

By Delegation, Before: Theodore Antonopoulos

[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 Rideau St. Lawrence Distribution Inc. (Rideau St. Lawrence Distribution) for new rates effective May 1, 2020.

Rideau St. Lawrence Distribution serves approximately 5,900 mostly residential and commercial electricity customers in the Town of Prescott, Village of Westport, Township of Cardinal and Municipality of South Dundas. 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*](#).

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

As a result of the OEB's findings in this Decision, there will be a monthly total bill decrease of \$0.10 before taxes and the Ontario Electricity Rebate¹ for a residential customer consuming 750 kWh, effective May 1, 2020.

Rideau St. Lawrence Distribution has also applied to change the composition of its distribution service rates. Residential distribution service rates have historically included a fixed monthly charge and a variable usage charge. In 2015, the OEB issued a policy to transition these rates to a fully fixed structure over a four-year period beginning in 2016.² Whereas most utilities completed their transition by the end of the 2019 rate year, Rideau St. Lawrence Distribution is scheduled to complete its transition to fixed rates in 2020.³ This is the fourth, and final year of Rideau St. Lawrence Distribution's transition to fully fixed rates for residential customers. There is no longer a variable usage rate for this class of customer. This policy change does not affect the total revenue that distributors collect from residential customers.

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

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

³ As Rideau St. Lawrence Distribution last rebasing rates were effective July 1, 2017, its transition to fully fixed rates commenced in 2017.

2 THE PROCESS

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

The OEB follows a standardized and streamlined process for hearing IRM applications filed under Price Cap IR. In each adjustment year of a Price Cap IR term, the OEB prepares a Rate Generator Model that includes, as a placeholder, information from the distributor's past proceedings and annual reporting requirements.⁴ A distributor will then review and complete the Rate Generator Model, and include it with its application.

Rideau St. Lawrence Distribution filed a complete application on November 21, 2019 under section 78 of the OEB Act and in accordance with the Chapter 3 of the OEB's [*Filing Requirements for Incentive Rate-Setting Applications*](#) (Filing Requirements) and [*Addendum to Filing Requirements for Electricity Distribution Rate Applications*](#).

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

3 ORGANIZATION OF THE DECISION

In this Decision, the OEB addresses the following issues, and provides reasons for approving or denying Rideau St. Lawrence Distribution's proposals relating to each of them:

- Price Cap Adjustment
- Shared Tax Adjustments
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Lost Revenue Adjustment Mechanism Variance Account Balance
- Residential Rate Design

⁴ 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.

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 charges⁵ 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

Rideau St. Lawrence Distribution seeks to increase its rates, 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 Rideau St. Lawrence Distribution are set out in Table 4.1, below. Inserting these components into the formula results in a 1.70% increase to Rideau St. Lawrence Distribution's rates:
1.70% = 2.00% - (0.00% + 0.30%).

Table 4.1: Price Cap IR Adjustment Formula

Components		Amount
Inflation Factor ⁶		2.00%
X-Factor	Productivity ⁷	0.00%
	Stretch (0.00% – 0.60%) ⁸	0.30%

⁵ 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.

⁶ For the 2020 Inflation Factor, see Ontario Energy Board 2020 Electricity Distribution Rate applications webpage - October 31, 2019.

⁷ 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.

⁸ 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 inflation factor of 2.00% applies to all Price Cap IR applications for the 2020 rate year.

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

The productivity component of the X-factor is based on industry conditions over a historical study period and applies to all Price Cap IR and Annual IR Index applications for the 2020 rate year.

The stretch factor component of the X-factor is distributor specific. The OEB has established five stretch factor groupings, each within a range from 0.00% to 0.60%. The stretch factor assigned to any particular distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario. The most efficient distributor would be assigned the lowest stretch factor of 0.00%. Conversely, a higher 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 Rideau St. Lawrence Distribution is 0.30%.

Findings

The OEB finds that Rideau St. Lawrence Distribution's request for a 1.70% rate adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Rideau St. Lawrence Distribution's new rates shall be effective May 1, 2020.

The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.⁹

⁹ 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.

5 SHARED TAX ADJUSTMENTS

In any adjustment year of a Price Cap IR term, a change in legislation may result in a change to the amount of taxes payable by a distributor. 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 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 letter¹⁰ 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 \$4,400, resulting in a shared credit amount of \$2,200 to be refunded to ratepayers.

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 \$2,200.

The allocated tax sharing credit amount does not produce a rate rider in one or more rate classes. The OEB therefore directs Rideau St. Lawrence Distribution to record the OEB-approved tax sharing credit amount of \$2,200 into Account 1595 "Sub-account Principal Balances Approved for Disposition in 2020", by June 30, 2020, for disposition at a later date.

¹⁰ OEB Accounting Direction Regarding Bill C-97 and Other Changes in Regulatory or Legislated Tax Rules for Capital Cost Allowance, July 25, 2019.

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

Rideau St. Lawrence Distribution is fully embedded within Hydro One Networks Inc.'s distribution system and is requesting approval to adjust the RTSRs that it charges its customers to reflect the currently approved rates that it pays for transmission services included in Table 6.1.

Table 6.1: Hydro One Networks Inc. Sub-Transmission Host-RTSRs¹¹

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

Rideau St. Lawrence Distribution's proposed adjustment to its RTSRs is approved. The RTSRs were adjusted based on the current host-RTSRs.

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

¹¹ EB-2019-0043, Decision and Order, December 17, 2019.

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 balances should be disposed.¹² 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.¹³ If the balance does not exceed the threshold, a distributor may elect to request disposition.

The 2018 actual year-end total balance for Rideau St. Lawrence Distribution's Group 1 accounts including interest projected to April 30, 2020 is a credit of \$403,767. This amount represents a total credit claim of \$0.0040 per kWh, which exceeds the disposition threshold. Rideau St. Lawrence Distribution has requested disposition of this credit 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).¹⁴

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.

¹² 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.

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

¹⁴ 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.

- "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.

Rideau St. Lawrence Distribution proposes the refund of its GA variance account credit balance of \$115,253 as at December 31, 2018, including interest to April 30, 2020, in accordance with the following table.

Table 7.1: Refund of GA Variance

Proposed Amounts	Proposed Method for Refund
\$108,080 refunded to customers who were Class B for the entire period from January 2018 to December 2018	per kWh rate rider
\$5,857 refunded to customers formerly in Class B during the period January 2018 to June 2018 who were reclassified to Class A	12 equal installments ¹⁵
\$1,316 refunded to customers formerly in Class A during the period January 2018 to June 2018 who were reclassified to Class B	12 equal installments ¹⁶

b) Capacity Based Recovery Class B Sub-account

The balance of the Group 1 accounts includes the Capacity Based Recovery (CBR) sub-account for Class B customers of a credit balance of \$2,818, relating to the IESO's wholesale energy market for the CBR program. Rideau St. Lawrence Distribution had Class A customers during the period from January 2018 to December 2018 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

¹⁵ 2020 IRM Rate Generator Model, Tab 6.1a "GA Allocation".

¹⁶ Ibid.

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 and Commodity Power Charges. These Group 1 accounts have a total credit balance of \$288,513, which results in a refund to customers. This balance combined with the balance for the global adjustment account results in the total credit balance for Group 1 accounts of \$403,767.

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements*.¹⁷ Rideau St. Lawrence Distribution's proposal for a one-year disposition period is in accordance with the OEB's policy.¹⁸

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.¹⁹ The OEB issued accounting guidance²⁰ 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 2019 rate proceeding, Rideau St. Lawrence Distribution received approval to dispose of 2017 Group 1 balances on an interim basis.²¹ During the course of the current proceeding, Rideau St. Lawrence Distribution made adjustments to its Account 1588 and Account 1589 2017 balances. The 2018 principal adjustments were also updated during the course of the proceeding. With these adjustments, Rideau St. Lawrence Distribution has requested final disposition of its 2017 and 2018 balances.

Rideau St. Lawrence Distribution stated that it has reviewed the 2017 balances and the 2018 balances in the context of the new accounting guidance and stated that it has not

¹⁷ Electricity Reporting and Record Keeping Requirements, Version dated May 3, 2016.

¹⁸ Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)." EB-2008-0046, July 31, 2009.

¹⁹ 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.

²⁰ Accounting Procedures Handbook Update – Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589, February 21, 2019.

²¹ EB-2018-0065, Decision and Rate Order, March 28, 2019, page 8

identified any material systemic issues in its RPP settlement and related accounting processes.²²

d) Adjustments to Balances Previously Disposed on a Final Basis

Rideau St. Lawrence Distribution noted that its post 2016 year-end analysis indicated that a RPP true-up adjustment of \$47,286 was required regarding its RPP settlement processes.²³ This amount was recorded in the 2017 general ledger, as its 2016 audited financial statements had been completed. A debit amount and a credit amount were booked in Account 1588 and Account 1589 respectively in the 2017 general ledger.

Rideau St. Lawrence Distribution disclosed the adjustments of \$47,286 made in its 2017 general ledger in both its 2018 IRM proceeding²⁴ and 2019 IRM proceeding.²⁵

In the current proceeding, Rideau St. Lawrence Distribution indicated that these amounts were reversed, by including 2017 principal adjustments in tab 3 of the 2020 IRM Rate Generator Model. 2017 principal adjustments were recorded to reflect a credit amount and a debit amount for Account 1588 and Account 1589 respectively of \$47,286. Rideau St. Lawrence Distribution confirmed that these 2017 principal adjustments were made because they related to 2016 amounts, which were previously disposed on a final basis in the 2018 IRM proceeding.²⁶

Findings

The OEB approves the disposition of a credit balance of \$403,767 as of December 31, 2018, including interest projected to April 30, 2020 for Group 1 accounts on a final basis. The OEB also approves final disposition of the 2017 balances that were approved on an interim basis in Rideau St. Lawrence Distribution's 2019 rate proceeding. The OEB is satisfied with the modifications made to these balances in the current proceeding.

The OEB will not require the distributor to reverse the general ledger entry relating to the 2016 RPP settlement true-up adjustment in tab 3 of the 2020 IRM Rate Generator Model.²⁷

²² Staff-2, January 31, 2020

²³ Staff Question-20, February 27, 2020

²⁴ EB-2017-0265, 2016 GA Analysis Workform, December 20, 2017; Responses to OEB Staff Questions #2, #3, #4, #5, filed December 21, 2017

²⁵ EB-2018-0065, 2017 GA Analysis Workform, October 15, 2018

²⁶ EB-2017-0265, Decision and Rate Order, March 22, 2018

²⁷ The 2017 principal adjustments made by Rideau St. Lawrence Distribution were a credit amount and a debit amount for Account 1588 and Account 1589 respectively of \$47,286.

These findings take into consideration the recent guidance letter issued by the OEB to the sector on the matter of “Adjustments to Correct for Errors in Electricity Distributor “Pass-Through” Variance Accounts After Disposition.” The guidance letter was issued on October 31, 2019, and it outlines the OEB’s approach to addressing accounting or other errors in respect of certain variance accounts through retroactive adjustments.

In the absence of any suspected systemic issues, the OEB did not anticipate utilities conducting detailed reviews of balances approved on a final basis. That said, the OEB appreciates Rideau St. Lawrence Distribution’s efforts to review its balances and make corrections. The OEB notes that its new accounting guidance²⁸ with respect to Accounts 1588 and 1589 was issued well after the closing of the 2016 fiscal year. Therefore, the OEB approves the adjustments made by Rideau St. Lawrence Distribution that relate to the 2016 year.

The OEB also notes that tab 3 of the 2020 IRM Rate Generator Model has been adjusted by OEB staff to reflect its above noted findings. Although this model has been modified to exclude the 2017 principal adjustments,²⁹ OEB staff did not remove the reconciling item in the 2017 GA Analysis Workform. This reconciling item helps explain the drivers of the Account 1589 balance.

The following table identifies the principal and interest amounts, which the OEB approves for disposition. This table has also been adjusted to reflect the OEB’s findings.

Table 7.2: Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
LV Variance Account	1550	(148,623)	(5,001)	(153,625)
Smart Meter Entity Variance Charge	1551	(5,361)	(248)	(5,609)
RSVA - Wholesale Market Service Charge	1580	(16,008)	(541)	(16,549)
Variance WMS - Sub-account CBR Class B	1580	(2,637)	(181)	(2,818)

²⁸ Accounting Procedures Handbook Update – Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589, February 21, 2019.

²⁹ The 2017 principal adjustments made by Rideau St. Lawrence Distribution were a credit amount and a debit amount for Account 1588 and Account 1589 respectively of \$47,286

RSVA - Retail Transmission Network Charge	1584	(65,195)	(3,062)	(68,257)
RSVA - Retail Transmission Connection Charge	1586	(60,684)	(2,638)	(63,322)
RSVA - Power	1588	21,522	145	21,667
RSVA - Global Adjustment	1589	(111,025)	(4,229)	(115,253)
Totals for all Group 1 accounts		(388,011)	(15,756)	(403,767)

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*.³⁰ 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. Rideau St. Lawrence Distribution shall 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 and payments as calculated in the Rate Generator Model. The final rate riders and payments will be in effect over a one-year period from May 1, 2020 to April 30, 2021.³¹

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

³⁰ Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012.

³¹ 2020 IRM Rate Generator Model Tab 6.1 GA, Tab 6.1a GA Allocation, Tab 6.2 CBR B, Tab 6.2a CBR B_Allocation and Tab 7 Calculation of Def-Var RR.

forecast conservation savings included in the last OEB-approved load forecast.³² These differences are recorded by distributors at the rate class level.

On March 20, 2019, the CFF was revoked.³³ 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.³⁴

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.

Rideau St. Lawrence Distribution has applied to dispose its LRAMVA debit balance of \$68,940. The balance consists of lost revenues in 2017 and 2018 from CDM programs delivered during the period from 2011 to 2018 and carrying charges.

Rideau St. Lawrence Distribution's 2016 COS rates had a delayed implementation date of July 1, 2017. As a result, both IRM and COS rates were partially effective in 2017. To account for this, Rideau St. Lawrence Distribution proposed to separate the 2017 LRAMVA into two distinct components with specific parameters applicable for each half year component. This is a modification to the standard methodology for calculating the LRAMVA. Typically, the updated LRAMVA threshold is applied in the year in which it took effect.

Under Rideau St. Lawrence Distribution's proposed approach, actual conservation savings in 2017 determined by the IESO³⁵ were divided evenly. For the first six months of 2017, 50% of actual 2017 savings were compared against 50% of the 2012 COS LRAMVA threshold (754,381 kWh). For the latter six months of 2017, the remaining 50% of actual 2017 savings were compared against 50% of the 2016 COS LRAMVA threshold (540,480 kWh) which came into effect on July 1, 2017. Rideau St. Lawrence Distribution believes that its proposed approach is appropriate, as it achieves revenue neutrality by comparing actual conservation savings to the applicable CDM adjustment to the load forecast in effect during 2017.

³² 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.

³³ On March 20, 2019 the Minister of Energy, Northern Development and Mines issued separate Directives to the OEB and the IESO.

³⁴ Ontario Energy Board letter dated June 20, 2019.

³⁵ 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.

Findings

The OEB finds that the LRAMVA debit balance of \$68,940 has been calculated in accordance with the OEB's CDM-related guidelines and updated LRAMVA policy.

The OEB approves the disposition of Rideau St. Lawrence Distribution's LRAMVA debit balance of \$68,940, as filed, and is set out in Table 8.1 below.

Rideau St. Lawrence Distribution was operating under unique circumstances following the delayed implementation of its 2016 COS rates. Rideau St. Lawrence Distribution's proposed approach for addressing its 2017 LRAMVA amount is reasonable considering the circumstances. By apportioning 50% of the 2017 verified savings to each half of the year, Rideau St. Lawrence Distribution has taken an objective and unbiased approach. Similarly, it made a reciprocal adjustment to forecast savings where the LRAMVA threshold for each half period was reduced by 50%. The OEB is of the view that the proposed approach enables Rideau St. Lawrence Distribution to recover lost revenues consistent with the timing of new rates coming into effect.

Table 8.1 LRAMVA Balance for Disposition

Account Name	Account Number	Actual CDM Savings (\$) A	Forecasted CDM Savings (\$) B	Carrying Charges (\$) C	Total Claim (\$) D=(A-B)+C
LRAMVA	1568	\$88,160	\$22,419	\$3,200	\$68,940

9 RESIDENTIAL RATE DESIGN

Some residential distribution rates currently include a fixed monthly charge and a variable usage charge. The OEB's residential rate design policy stipulates that distributors will transition residential customers to a fully fixed monthly distribution service charge over a four-year period, beginning in 2016.³⁶ Rideau St. Lawrence Distribution commenced transitioning residential class customers in 2017 as the result of the approval of its 2016 COS effective July 1, 2017. This is the last year of Rideau St. Lawrence Distribution's transition period, and, accordingly, 2020 is the final year in which Rideau St. Lawrence Distribution's rates will be adjusted upwards by more than the mechanistic adjustment alone. Rideau St. Lawrence Distribution has transitioned to a fully fixed structure.

The OEB expects an applicant to apply two tests to evaluate whether mitigation of bill impacts for customers is required during the transition period. Mitigation usually takes

³⁶ As outlined in the Policy cited at footnote 1 above.

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

Rideau St. Lawrence Distribution notes that the implementation of the transition results in an increase to the fixed charge prior to the price cap adjustment of \$2.73. The bill impacts arising from the proposals in this application, including the fixed rate change, are below 10% for low volume residential customers.

Findings

The OEB finds that the proposed 2020 increase to the monthly fixed charge is calculated in accordance with the OEB's residential rate design policy. The results of the monthly fixed charge, and total bill impact for low consumption residential consumers demonstrate that no mitigation is required. The OEB approves the increase as proposed by the applicant and calculated in the final Rate Generator Model. The distributor has now completed its transition to a fully fixed rate structure for residential customers.

10 IMPLEMENTATION AND ORDER

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

Model entries were reviewed in order to ensure that they are in accordance with Rideau St. Lawrence Distribution's last cost of service decision, and to ensure that the 2019 OEB-approved Tariff of Rates and Charges, as well as the cost, revenue and consumption results from 2018, are as reported by Rideau St. Lawrence Distribution to the OEB.

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

Table 10.1: 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, 2019.³⁷

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, 2018.³⁸

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. Rideau St. Lawrence Distribution Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new final rates.

DATED at Toronto, Month Day, 2020

ONTARIO ENERGY BOARD

Christine E. Long
Registrar and Board Secretary

³⁷ EB-2019-0278, Decision and Order, December 17, 2019.

³⁸ EB-2017-0290, Decision and Order, March 1, 2018.

Schedule A

To Decision and Rate Order

Tariff of Rates and Charges

OEB File No: EB-2019-0066

DATED: [Date]

Rideau St. Lawrence Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2020

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

EB-2019-0066

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning.

Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. 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	\$	26.09
Rate Rider for the 2018 Capital Funding		
- effective until the effective date of the next cost of service-based rate order	\$	0.52
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Low Voltage Service Rate	\$/kWh	0.0049
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021		
Applicable only for Non-RPP Customers	\$/kWh	(0.0034)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)		
- effective until April 30, 2021	\$/kWh	0.0006
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kWh	(0.0029)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0065
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0055

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

Rideau St. Lawrence Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2020

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EB-2019-0066

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non-residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	31.69
Rate Rider for the 2018 Capital Funding		
- effective until the effective date of the next cost of service-based rate order	\$	1.14
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0114
Low Voltage Service Rate	\$/kWh	0.0045
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021		
Applicable only for Non-RPP Customers	\$/kWh	(0.0034)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)		
- effective until April 30, 2021	\$/kWh	0.0011
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kWh	(0.0028)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0050

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

Rideau St. Lawrence Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2020

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GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non-residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. 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 Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

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.

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	\$	302.04
Rate Rider for the 2018 Capital Funding		
- effective until the effective date of the next cost of service-based rate order	\$	12.86
Distribution Volumetric Rate	\$/kW	2.3256
Low Voltage Service Rate	\$/kW	1.6712
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021		
Applicable only for Non-RPP Customers	\$/kWh	(0.0034)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)		
- effective until April 30, 2021	\$/kW	0.0639
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kW	(0.9310)

Rideau St. Lawrence Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2020

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EB-2019-0066

Retail Transmission Rate - Network Service Rate	\$/kW	2.4778
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.0168
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.7683
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	2.2479

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

Rideau St. Lawrence Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2020

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

EB-2019-0066

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per customer)	\$	4.47
Rate Rider for the 2018 Capital Funding		
- effective until the effective date of the next cost of service-based rate order	\$	0.41
Distribution Volumetric Rate	\$/kWh	0.0204
Low Voltage Service Rate	\$/kWh	0.0045
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021		
Applicable only for Non-RPP Customers	\$/kWh	(0.0034)
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kWh	(0.0028)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0050

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

Rideau St. Lawrence Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2020

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EB-2019-0066

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)	\$	2.77
Rate Rider for the 2018 Capital Funding		
- effective until the effective date of the next cost of service-based rate order	\$	0.19
Distribution Volumetric Rate	\$/kW	20.2309
Low Voltage Service Rate	\$/kW	1.3055
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021		
Applicable only for Non-RPP Customers	\$/kWh	(0.0034)
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kW	(1.5771)
Retail Transmission Rate - Network Service Rate	\$/kW	1.8781
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5916

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

Rideau St. Lawrence Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2020

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EB-2019-0066

STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved Ontario Energy Board street lighting load shape template. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	3.47
Rate Rider for the 2018 Capital Funding		
- effective until the effective date of the next cost of service-based rate order	\$	0.09
Distribution Volumetric Rate	\$/kW	13.2333
Low Voltage Service Rate	\$/kW	1.2790
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021		
Applicable only for Non-RPP Customers	\$/kWh	(0.0034)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)		
- effective until April 30, 2021	\$/kW	6.6961
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kW	(0.9256)
Retail Transmission Rate - Network Service Rate	\$/kW	1.8686
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5594

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

Rideau St. Lawrence Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2020

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EB-2019-0066

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.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	17.20
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ALLOWANCES

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

Rideau St. Lawrence Distribution Inc.

TARIFF OF RATES AND CHARGES

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SPECIFIC SERVICE CHARGES

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

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

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Customer Administration

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

Non-Payment of Account

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

Other

Service call - customer owned equipment	\$	30.00
Service call - after regular hours	\$	165.00
Temporary service install and remove - overhead - no transformer	\$	500.00
Temporary service install and remove - underground - no transformer	\$	300.00
Temporary service install and remove - overhead - with transformer	\$	1,000.00
Specific charge for access to the power poles - per pole/year (with the exception of wireless attachments)	\$	44.50

Rideau St. Lawrence Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2020

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EB-2019-0066

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.

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	102.00
Monthly fixed charge, per retailer	\$	40.80
Monthly variable charge, per customer, per retailer	\$/cust.	1.02
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.61
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.61)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.51
Processing fee, per request, applied to the requesting party	\$	1.02
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year no charge	\$	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	1.0819
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0711