

## **DECISION AND RATE ORDER**

EB-2019-0027

# EPCOR ELECTRICITY DISTRIBUTION ONTARIO INC.

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

By Delegation, Before: Pascale Duguay

**April 16, 2020** 

## 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 EPCOR Electricity Distribution Ontario Inc. for new rates effective May 1, 2020.

EPCOR Electricity Distribution Ontario Inc. serves approximately 17,500 mostly residential and commercial electricity customers in the Towns of Collingwood, Stayner, and Creemore and the Village of Thornbury. 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*.

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

As a result of the OEB's findings in this Decision, there will be a monthly total bill increase of \$1.14 before taxes and the Ontario Electricity Rebate<sup>1</sup> for a residential customer consuming 750 kWh, effective May 1, 2020.

## **2 THE PROCESS**

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

The OEB follows a standardized and streamlined process for hearing IRM applications filed under Price Cap IR. In each adjustment year of a Price Cap IR term, the OEB prepares a Rate Generator Model that includes, as a placeholder, information from the distributor's past proceedings and annual reporting requirements.<sup>2</sup> A distributor will then review and complete the Rate Generator Model, and include it with its application.

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

<sup>&</sup>lt;sup>2</sup> The Rate Generator Model is a Microsoft Excel workbook that is used to update base rates, retail transmission service rates and, if applicable, shared tax saving adjustments. It also calculates rate riders for the disposition of deferral and variance account balances. During the course of an IRM proceeding,

EPCOR Electricity Distribution Ontario Inc. filed its application on October 15, 2019 under section 78 of the OEB Act and in accordance with the Chapter 3 of the OEB's <u>Filing Requirements for Incentive Rate-Setting Applications</u> (Filing Requirements) and <u>Addendum to Filing Requirements for Electricity Distribution Rate Applications</u>.

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 EPCOR Electricity Distribution Ontario Inc.'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

In the final section, the OEB addresses the steps to implement the final rates that flow from this Decision.

This Decision does not address rates and charges approved by the OEB in previous proceedings, which are not part of the scope of an IRM proceeding (such as specific service charges<sup>3</sup> and loss factors). No further approvals are required to continue to include these items on a distributor's Tariff of Rates and Charges.

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

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

## 4 PRICE CAP ADJUSTMENT

EPCOR Electricity Distribution Ontario Inc. 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 EPCOR Electricity Distribution Ontario Inc. are set out in Table 4.1, below. Inserting these components into the formula results in a 1.85% increase to EPCOR Electricity Distribution Ontario Inc.'s rates: 1.85% = 2.00% - (0.00% + 0.15%).

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

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

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

<sup>&</sup>lt;sup>5</sup> Report of the OEB – "Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors" EB-2010-0379, Issued November 21, 2013, corrected December 4, 2013.

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

stretch factor 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 EPCOR Electricity Distribution Ontario Inc. is 0.15%.

## **Findings**

The OEB finds that EPCOR Electricity Distribution Ontario Inc.'s request for a 1.85% rate adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and EPCOR Electricity Distribution Ontario Inc.'s new rates shall be effective May 1, 2020.

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

## 5 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 letter 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

<sup>&</sup>lt;sup>7</sup> Price Cap IR and Annual IR Index adjustments do not apply to the following rates and charges: rate riders, rate adders, low voltage service charges, retail transmission service rates, wholesale market service rate, smart metering entity charge, rural or remote electricity rate protection charge, standard supply service – administrative charge, transformation and primary metering allowances, loss factors, specific service charges, microFIT charge, and retail service charges.

only of impacts for tax changes unrelated to CCA (such as changes in corporate income tax rates).

The application identifies a total tax increase of \$65,617, resulting in a shared debit amount of \$32,808 to be collected from ratepayers.

## **Findings**

The OEB approves the tax charge of \$32,808.

The amount shall be collected through a fixed monthly rate rider for residential customers, and through riders calculated on a volumetric basis for all other customers over a one-year period from May 1, 2020, to April 30, 2021.

## 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.

EPCOR Electricity Distribution Ontario Inc. 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-RTSRs<sup>8</sup>

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

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

## **Findings**

EPCOR Electricity Distribution Ontario Inc.'s proposed adjustment to its RTSRs is approved. The RTSRs were adjusted based on the current host-RTSRs.

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

## 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. 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. If the balance does not exceed the threshold, a distributor may elect to request disposition.

The 2018 actual year-end total balance for EPCOR Electricity Distribution Ontario Inc.'s Group 1 accounts including interest projected to April 30, 2020 is a debit of \$453,908. This amount represents a total debit claim of \$0.0015 per kWh, which exceeds the disposition threshold. EPCOR Electricity Distribution Ontario Inc. has requested disposition of this 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>11</sup>

<sup>&</sup>lt;sup>9</sup> Group 1 accounts track the differences between the costs that a distributor is billed for certain IESO and host distributor services (including the cost of power) and the associated revenues that the distributor receives from its customers for these services. The total net difference between these costs and revenues is disposed to customers through a temporary charge or credit known as a rate rider.

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

<sup>&</sup>lt;sup>11</sup> The GA is established monthly by the IESO to reflect the difference between the wholesale market price for electricity and regulated rates for:

<sup>•</sup> 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

<sup>•</sup> 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.

EPCOR Electricity Distribution Ontario Inc. proposes the recovery of its GA variance account debit balance of \$174,767 as at December 31, 2018, including interest to April 30, 2020, in accordance with the following table.

**Table 7.1: Recovery of GA Variance** 

Proposed Amounts	Proposed Method for Refund
\$174,767 recovered from customers who were Class B for the entire period from January 2018 to December 2018	per kWh rate rider

## 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 of \$4,822, relating to the IESO's wholesale energy market for the CBR program. EPCOR Electricity Distribution Ontario Inc. 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 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 debit balance of \$279,141, 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 \$453,908.

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements.*<sup>12</sup> EPCOR Electricity Distribution Ontario Inc.'s proposal for a one-year disposition period is in accordance with the OEB's policy.<sup>13</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. The OEB issued accounting guidance 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, EPCOR Electricity Distribution Ontario Inc. received approval to dispose of 2017 Group 1 balances on an interim basis.<sup>16</sup>

In the current proceeding, EPCOR Electricity Distribution Ontario Inc. confirmed that the new accounting guidance was implemented retroactive to January 1, 2017 and that this task was completed by August 31, 2019.<sup>17</sup> EPCOR Electricity Distribution Ontario Inc. indicated that, from completing a review of its 2017 and 2018 balances, it determined that the differences between its current process and the new accounting guidance were not material.<sup>18</sup>

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

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

<sup>&</sup>lt;sup>14</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>&</sup>lt;sup>15</sup> Accounting Procedures Handbook Update – Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589, February 21, 2019.

<sup>&</sup>lt;sup>16</sup> EB-2018-0025, Decision and Rate Order, March 28, 2019, page 8.

<sup>&</sup>lt;sup>17</sup> Staff Question-10, January 17, 2020.

<sup>&</sup>lt;sup>18</sup> Staff Question-10, January 17, 2020.

EPCOR Electricity Distribution Ontario Inc. has reviewed the 2017 balances and the 2018 balances in the context of the new accounting guidance and stated that it is confident that there are no systemic issues in its RPP settlement and related accounting processes. <sup>19</sup> As a result, EPCOR Electricity Distribution Ontario Inc. has requested final disposition of its 2017 and 2018 balances. <sup>20</sup>

d) Adjustments to Balances Previously Disposed on a Final Basis

EPCOR Electricity Distribution Ontario Inc. indicated that an amount of \$256,790 was recorded in its 2018 general ledger and that this amount related to a true-up of 2016 consumption regarding its RPP settlement processes.<sup>21</sup> More specifically, equal and offsetting amounts were recorded to Account 1588 and Account 1589.<sup>22</sup> These amounts should have been incorporated into the 2016 balances that were approved on a final basis in EPCOR Electricity Distribution Ontario Inc.'s 2018 IRM proceeding,<sup>23</sup> but these amounts were not included.

In the current proceeding, EPCOR Electricity Distribution Ontario Inc. reversed these 2018 general ledger amounts<sup>24</sup> by including offsetting 2018 principal adjustments<sup>25</sup> in tab 3 of the 2020 IRM Rate Generator Model. In the distributor's view, these amounts need to be reversed, otherwise the 2018 general leger entry would effectively be adjusting December 31, 2016 balances that were cleared on a final basis in the 2018 IRM proceeding.<sup>26</sup>

## **Findings**

The OEB approves the disposition of a debit balance of \$453,908 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 EPCOR Electricity Distribution Ontario Inc.'s 2017 balances that were previously approved on an interim basis in its 2019 rate proceeding.

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

<sup>&</sup>lt;sup>19</sup> Staff Question-10, January 17, 2020.

<sup>&</sup>lt;sup>20</sup> Revised Application, January 17, 2020, page 24.

<sup>&</sup>lt;sup>21</sup> EPCOR-OEB Staff Discussion Summary, February 19, 2020, page 7.

<sup>&</sup>lt;sup>22</sup> The 2018 general ledger entry was made to credit Account 1588 and debit Account 1589 of \$256,790.

<sup>&</sup>lt;sup>23</sup> EB-2017-0034, Decision and Rate Order, March 22, 2018, page 9.

<sup>&</sup>lt;sup>24</sup> The 2018 general ledger entry was made to credit Account 1588 and debit Account 1589 of \$256,790.

<sup>&</sup>lt;sup>25</sup> 2018 principal amounts were recorded to debit and credit Account 1588 and Account 1589 respectively of \$256,790.

<sup>&</sup>lt;sup>26</sup> EPCOR-OEB Staff Discussion Summary, February 19, 2020, page 7.

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 EPCOR Electricity Distribution Ontario Inc.'s efforts to review its balances and make corrections. The OEB notes that its new accounting guidance<sup>27</sup> 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 EPCOR Electricity Distribution Ontario Inc. 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 the above noted findings. Although this model has been modified to exclude the 2018 principal adjustments, <sup>28</sup> OEB staff did not remove the reconciling item in the 2018 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	396,703	17,721	414,424
Smart Meter Entity Variance Charge	1551	(18,685)	(820)	(19,505)
RSVA - Wholesale Market Service Charge	1580	(7,293)	(5,041)	(12,333)
RSVA - Retail Transmission Network Charge	1584	51,981	2,366	54,347

<sup>&</sup>lt;sup>27</sup> Accounting Procedures Handbook Update – Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589, February 21, 2019.

<sup>&</sup>lt;sup>28</sup> 2018 principal amounts were recorded to debit and credit Account 1588 and Account 1589 respectively of \$256,790.

RSVA - Retail Transmission Connection Charge	1586	16,743	1,480	18,223
RSVA - Power	1588	(175,940)	(75)	(176,015)
RSVA - Global Adjustment	1589	168,527	6,240	174,767
Totals for all Group 1 accounts		432,036	21,872	453,908

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>29</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. EPCOR Electricity Distribution Ontario Inc. 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 as calculated in the 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>30</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

<sup>&</sup>lt;sup>29</sup> Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012.

<sup>&</sup>lt;sup>30</sup> 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.<sup>31</sup> These differences are recorded by distributors at the rate class level.

On March 20, 2019, the CFF was revoked.<sup>32</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>33</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.

EPCOR Electricity Distribution Ontario Inc. has applied to dispose its revised LRAMVA debit balance of \$289,166. The balance consists of lost revenues in 2017 and 2018 from CDM programs delivered during the period from 2011 to 2018 and carrying charges. The actual conservation savings claimed by EPCOR Electricity Distribution Ontario Inc. were determined by the IESO. 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. Actual conservation savings were compared against EPCOR Electricity Distribution Ontario Inc.'s forecasted conservation savings of 3,264,017 kWh included in the load forecast, which was set out in the distributor's 2013 cost of service proceeding.<sup>34</sup>

## **Findings**

The OEB finds that EPCOR Electricity Distribution Ontario Inc.'s revised LRAMVA debit balance has been calculated in accordance with the OEB's CDM-related guidelines and updated LRAMVA policy. The OEB approves the disposition of EPCOR Electricity Distribution Ontario Inc.'s revised LRAMVA debit balance of \$289,166, as set out in Table 8.1 below.

Account Name	Account Number	Actual CDM Savings (\$) A	Forecasted CDM Savings (\$) B	Carrying Charges (\$) C	Total Claim (\$) D=(A-B)+C
LRAMVA	1568	393,520	117,337	12,983	289,166

Table 8.1 LRAMVA Balance for Disposition

<sup>&</sup>lt;sup>31</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>&</sup>lt;sup>32</sup> On March 20, 2019 the Minister of Energy, Northern Development and Mines issued separate Directives to the OEB and the IESO.

<sup>&</sup>lt;sup>33</sup> Ontario Energy Board letter dated June 20, 2019.

<sup>&</sup>lt;sup>34</sup> EB-2012-0116, Rate Order, October 24, 2013.

## 9 IMPLEMENTATION AND ORDER

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

Model entries were reviewed in order to ensure that they are in accordance with EPCOR Electricity Distribution Ontario Inc.'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 EPCOR Electricity Distribution Ontario Inc. 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.

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

**Table 9.1: Regulatory Charges** 

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>35</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>36</sup>

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,<sup>37</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>38</sup> for the

<sup>&</sup>lt;sup>35</sup> EB-2019-0278, Decision and Order, December 17, 2019.

<sup>&</sup>lt;sup>36</sup> EB-2017-0290, Decision and Order, March 1, 2018.

<sup>&</sup>lt;sup>37</sup> EB-2010-0219, Report of the Board "Review of Electricity Distribution cost Allocation Policy", March 31, 2011.

<sup>&</sup>lt;sup>38</sup> OEB letter, issued February 24, 2020.

2020 rate year. The Tariff of Rates and Charges attached as Schedule A reflects this updated charge.

#### THE ONTARIO ENERGY BOARD ORDERS THAT:

- 1. Subject to paragraph 2, 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.
- 2. In light of the COVID-19 emergency, the Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved to be implemented November 1, 2020 if EPCOR Electricity Distribution Ontario Inc. notifies the OEB under paragraph 4 that it is electing to postpone the implementation of its new rates until November 1, 2020.
- 3. Any temporarily forgone distribution revenue associated with the postponement referred to in paragraph 2 may be tracked in Account 1509 Impacts Arising from the COVID-19 Emergency, Sub-account Lost Revenues.
- 4. EPCOR Electricity Distribution Ontario Inc. shall, on or before April 23, 2020, file a letter with the OEB indicating whether it intends to postpone the implementation of the Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order.
- 5. If EPCOR Electricity Distribution Ontario Inc. elects not to postpone the implementation of the Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order, it shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new final rates.

All materials filed with the OEB must quote the file number, **EB-2019-0027**, be made in a searchable/unrestricted PDF format and sent electronically through the OEB's web portal at <a href="https://pes.ontarioenergyboard.ca/eservice">https://pes.ontarioenergyboard.ca/eservice</a>. Filings must clearly state the sender's name, postal address and telephone number, fax number and email address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <a href="https://www.oeb.ca/industry">https://www.oeb.ca/industry</a>. If the web portal is not available parties may email their documents to <a href="mailto:boardsec@oeb.ca">boardsec@oeb.ca</a>.

NOTE: The OEB is temporarily waiving the paper copy filing requirement until further notice. All communications should be directed to the attention of the Board Secretary and be received no later than 4:45 p.m. on the required date.

**DATED** at Toronto, April 16, 2020

## **ONTARIO ENERGY BOARD**

Original Signed By

Christine E. Long Registrar and Board Secretary

## Schedule A

**To Decision and Rate Order** 

**Tariff of Rates and Charges** 

OEB File No: EB-2019-0027

**DATED:** April 16, 2020

## Effective and Implementation Date May 1, 2020

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

EB-2019-0027

#### RESIDENTIAL SERVICE CLASSIFICATION

This classification refers 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.

Service Charge (Based on 30 Day Month)	\$	25.88
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Application of Tax Change (2020) - effective until April 30, 2021	\$	0.11
Rate Rider per the Collus Powerstream and EPCOR Share Purchase Agreement		
- effective until September 30, 2023	\$	(0.25)
Low Voltage Service Rate	\$/kWh	0.0016
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021		
Applicable only for Non-RPP Customers	\$/kWh	0.0020
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)	Φ /I-\Λ/I-	0.0000
- effective until April 30, 2021	\$/kWh	0.0009
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kWh	0.0008
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0071
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0045
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

## Effective and Implementation Date May 1, 2020

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

EB-2019-0027

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

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

#### **APPLICATION**

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

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

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

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

Service Charge (Based on 30 Day Month)	\$	21.92
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0145
Low Voltage Service Rate	\$/kWh	0.0014
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021 Applicable only for Non-RPP Customers	\$/kWh	0.0020
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020) - effective until April 30, 2021	\$/kWh	0.0017
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kWh	0.0009
Rate Rider for Application of Tax Change (2020) - effective until April 30, 2021	\$/kWh	0.0001
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0065
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0037
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

### Effective and Implementation Date May 1, 2020

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

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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 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 the Ontario Energy Board approval, such as the Global Adjustment and the HST.

Service Charge (Based on 30 Day Month)	\$	104.69
Distribution Volumetric Rate	\$/kW	3.4239
Low Voltage Service Rate	\$/kW	0.5215
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021 Applicable only for Non-RPP Customers	\$/kWh	0.0020
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020) - effective until April 30, 2021	\$/kW	0.0355
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021  Applicable only for Non-Wholesale Market Participants	\$/kW	(0.2577)
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kW	0.6632

## **Effective and Implementation Date May 1, 2020**

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

		EB-2019-0027
Rate Rider for Application of Tax Change (2020) - effective until April 30, 2021	\$/kW	0.0192
Retail Transmission Rate - Network Service Rate	\$/kW	2.5747
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5712
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

### Effective and Implementation Date May 1, 2020

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

EB-2019-0027

#### 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 the Ontario Energy Board approval, such as the Global Adjustment and the HST.

Service Charge (Based on 30 Day Month)	\$	0.53
Distribution Volumetric Rate	\$/kWh	0.0125
Low Voltage Service Rate	\$/kWh	0.0014
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021 Applicable only for Non-RPP Customers	\$/kWh	0.0020
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020) - effective until April 30, 2021	\$/kWh	(0.0003)
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kWh	0.0010
Rate Rider for Application of Tax Change (2020) - effective until April 30, 2021	\$/kWh	0.0001
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0065
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0037
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

### Effective and Implementation Date May 1, 2020

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

EB-2019-0027

#### STREET LIGHTING SERVICE CLASSIFICATION

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

#### **APPLICATION**

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

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

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

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

Service Charge (per connection)	\$	3.83
Distribution Volumetric Rate	\$/kW	15.9673
Low Voltage Service Rate	\$/kW	0.4031
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021		
Applicable only for Non-RPP Customers	\$/kWh	0.0020
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020)		
- effective until April 30, 2021	\$/kW	22.7701
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kW	0.3416
Rate Rider for Application of Tax Change (2020) - effective until April 30, 2021	\$/kW	0.3277
Retail Transmission Rate - Network Service Rate	\$/kW	1.9417
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2147
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

Effective and Implementation Date May 1, 2020

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

EB-2019-0027

#### 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 the Ontario Energy Board approval, such as the Global Adjustment and the HST.

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

Service Charge \$ 4.55

### Effective and Implementation Date May 1, 2020

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

EB-2019-0027

#### **ALLOWANCES**

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

## SPECIFIC SERVICE CHARGES

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

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

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#### **Customer Administration**

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

### **Non-Payment of Account**

Late payment - per month		
(effective annual rate 19.56% per annum or 0.04896% compounded daily)	%	1.50
Reconnection at meter - during regular hours	\$	40.00
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 - after regular hours	\$ 165.00
Specific charge for access to the power poles - \$/pole/year	
(with the exception of wireless attachments)	\$ 44.50

## Effective and Implementation Date May 1, 2020

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

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## **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 the 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	1.0710
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0603