

Standby Rates Notification

3/13/2020

Name

Title

Address

To Whom it may concern,

In 2020, Waterloo North Hydro Inc. (WNH) plans to apply to the Ontario Energy Board (OEB) to request approval for a proposed electricity distribution standby rate for customers who have installed load displacement generation projects.

Customers who install load displacement projects will be given a choice. If you wish to continue to utilize the WNH distribution system to provide back-up services in the event your load displacement assets fail, or you need to take them offline on a planned basis – then in return for WNH providing that back-up service you will be required to pay an OEB approved standby rate. More information on the proposed standby rate, including how it may impact your bill if approved, is included in Appendix “A”.

The proposed standby rate would not apply to your electricity commodity or global adjustment charges which would still be billed as normal.

Absent a standby rate, other WNH customers will be required to cross-subsidize the costs associated with providing you with back-up services. WNH does not believe that this is either just or reasonable.

Our records indicate that you have installed or are in the process of installing a load displacement project. This is the standby rate charge that was indicated in section 6.4 of the Connection Impact Assessment and section A.2.3 of the Connection Cost Agreement documents during your generation connection process.

We are interested in hearing your comments on this proposal. Please feel free to write me back to provide feedback. I can be contacted at 519-888-5542 or asingh@wnhydro.com

This feedback will be carefully considered by WNH and incorporated into our application to the OEB.

Sincerely,

Albert P. Singh MBA, CPA, CGA
VP Finance & CFO

Appendix 'A' – Standby Rate Bill Impact