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Energy | de l'énergie
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DECISION AND RATE ORDER

EB-2022-0021

CHAPLEAU PUBLIC UTILITIES CORPORATION

**Application for rates and other charges to be effective
May 1, 2023**

BEFORE: **Michael Janigan**
 Presiding Commissioner

David Sword
Commissioner

March 23, 2023

1. OVERVIEW

The Ontario Energy Board is approving changes to the rates that Chapleau Public Utilities Corporation (Chapleau Public Utilities) charges to distribute electricity to its customers, effective May 1, 2023.

As a result of this Decision, there will be a monthly total bill increase of \$0.79 for a residential customer consuming 750 kWh. This change does not factor in applicable taxes or the Ontario Electricity Rebate but includes impacts resulting from the Distribution Rate Protection program. The applicant is one of eight electricity distributors in Ontario to which this tax-funded program applies. The program has been in effect since July 2017, and currently caps monthly distribution charges at \$38.08.¹

The OEB is also approving Chapleau Public Utilities' request 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 rate structure over a four-year period beginning in 2016.² Chapleau Public Utilities, however, required a transition period of greater than four years.

In Chapleau Public Utilities' 2019 cost of service proceeding,³ to mitigate the customers' bill impact, the OEB approved a five-year period for Chapleau Public Utilities to transition its residential customers to a fully fixed structure. This is the fifth and final year of Chapleau Public Utilities' transition to fully fixed rates for residential customers. There is no longer a variable usage rate for this class of customers. This rate change does not affect the total revenue that distributors collect from residential customers.

¹ Decision and Order, EB-2022-0186, June 16, 2022

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

³ EB-2018-0087, Decision and Rate Order, June 6, 2019

2. CONTEXT AND PROCESS

Chapleau Public Utilities filed its application on October 11, 2022 under section 78 of the *Ontario Energy Board Act, 1998* and in accordance with Chapter 3 of the OEB's *Filing Requirements for Incentive Rate-Setting Applications* (Filing Requirements). The application was based on the Price Cap Incentive Rate-setting (Price Cap IR) option, with a five-year term.

The Price Cap IR option is one of three incentive rate-setting mechanisms (IRM) approved by the OEB.⁴ It involves the setting of rates through a cost of service application in the first year and mechanistic price cap adjustments which may be approved through IRM applications in each of the ensuing adjustment years.

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.

A distributor will then review, complete, and include the model with its application, and may update the model during the proceeding to make any necessary corrections or to incorporate new rate-setting parameters as they become available.

Chapleau Public Utilities serves approximately 1,200 mostly residential and commercial electricity customers in the Town of Chapleau.

Notice of the application was issued on October 31, 2022. There were no intervenors.

The application was supported by pre-filed written evidence and a completed Rate Generator Model and as required during the proceeding, Chapleau Public Utilities updated and clarified the evidence.

Chapleau Public Utilities responded to interrogatories from OEB staff. Final submissions on the application were filed by OEB staff and Chapleau Public Utilities.

⁴ Each of these options is explained in the OEB's [Handbook for Utility Rate Applications](#).

3. DECISION OUTLINE

The following issues are addressed in this Decision, together with the OEB's findings.

- Annual Adjustment Mechanism
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Lost Revenue Adjustment Mechanism Variance Account
- Residential Rate Design

Instructions for implementing Chapleau Public Utilities' new rates and charges are set out in the final section of this Decision.

This Decision does not address rates and charges approved by the OEB in prior proceedings, such as specific service charges⁵ and loss factors, which are beyond the scope of an IRM proceeding and for which no further approvals are required to continue to include them on the distributor's Tariff of Rates and Charges.

⁵ Certain service charges are subject to annual inflationary adjustments to be determined by the OEB through a generic order. For example, the Decision and Order in EB-2022-0220, issued November 3, 2022 established the adjustment for energy retailer service charges, effective January 1, 2023; and the Decision and Order EB-2022-0221, issued November 3, 2022, established the 2023 Wireline Pole Attachment Charge, effective January 1, 2023.

4. ANNUAL ADJUSTMENT MECHANISM

Chapleau Public Utilities has applied to change its rates, effective May 1, 2023, based on a mechanistic rate adjustment using the OEB-approved **inflation minus X-factor** formula applicable to IRM applications. The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.⁶

The components of the Price Cap adjustment formula applicable to Chapleau Public Utilities are set out in the table below. Inserting these components into the formula results in a 3.25% increase in Chapleau Public Utilities' rates: **3.25% = 3.70% - (0.00% + 0.45%)**.

Table 4.1: Price Cap IR Adjustment Formula

Components		Amount
Inflation factor ⁷		3.70%
Less: X-factor	Productivity factor ⁸	0.00%
	Stretch factor (0.00% to 0.60%) ⁹	0.45%

An inflation factor of 3.70% applies to all IRM applications for the 2023 rate year. The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that varies 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 IRM applications for the 2023 rate year. The stretch factor component of the X-factor is distributor-specific.

⁶ The adjustment does not apply to the following components of delivery rates: 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.

⁷ [OEB Letter, 2023 Inflation Parameters, issued October 20, 2022](#)

⁸ Report of the Ontario Energy Board – “Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors” EB-2010-0379, December 4, 2013

⁹ Report to the Ontario Energy Board – “Empirical Research in Support of Incentive Rate-Setting: 2021 Benchmarking Update”, prepared by Pacific Economics Group LLC., July 2022

The OEB has established five stretch factor groupings, ranging from 0.00% to 0.60%. The stretch factor assigned to any distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario. The stretch factor assigned to Chapleau Public Utilities is 0.45%, resulting in a rate adjustment of 3.25%.

2021 Regulatory Return on Equity

The Filing Requirements state that a regulatory review may be triggered if a distributor's earnings are outside of a dead band of +/- 300 basis points from the OEB-approved Return on Equity (ROE).¹⁰ A distributor whose earnings are in excess of the dead band is expected to refrain from seeking an adjustment to its base rates through a Price Cap IR or Annual IR index plan. If a distributor whose earnings are in excess of the dead band nevertheless applies for an increase to its base rates, the OEB expects it to substantiate its reasons for doing so.¹¹

Chapleau Public Utilities' 2021 ROE, as reported pursuant to the OEB's *Reporting and Record-Keeping Requirements* (s.2.1.5.6 - Regulated Return on Equity) was 24.43%, or 15.45% (1,545 basis points) greater than its deemed ROE of 8.98% approved by the OEB in its 2019 cost of service proceeding.¹²

Based on the OEB's Filing Requirements, Chapleau Public Utilities would be expected to refrain from seeking a price cap adjustment in this application. However, Chapleau Public Utilities requested the price cap adjustment and provided¹³ the following main drivers for the 2021 over-earning:

1. An increase in 2021 Other Revenues of \$46,944 due to a "one-time" administrative fee charged to a Hydro One mining customer who hired Chapleau Public Utilities to administer the transfer of Chapleau Public Utilities' pole attachments to Hydro One upgraded poles.
2. A temporary decrease in operations, maintenance and administration (OM&A) costs of \$52,695 due to an operations employee taking an unpaid leave of absence for medical reasons (the position was left vacant from February 2021 to December 2021).
3. Not having any debt instruments in 2021 compared to the deemed interest collected through rates and based on the deemed cost of capital parameters.

¹⁰ Chapter 3 Filing Requirements, section 3.2.9

¹¹ Ibid

¹² EB-2018-0087, Decision and Rate Order, June 6, 2019

¹³ Manager's Summary, pages 21-22

Chapleau Public Utilities stated that these are one-time situations that affected its profits in 2021.¹⁴

In response to interrogatories from OEB staff, Chapleau Public Utilities stated that the Price Cap IR adjustment is needed for it to keep up with the post-pandemic inflationary pressures. Chapleau Public Utilities further stated that the penalty for denying the price cap adjustment has a compounding effect on its future IRMs and rates.¹⁵

In its submission, OEB staff did not object to Chapleau Public Utilities' request for the price cap adjustment, given that the two main drivers that have caused the 2021 over-earning appear to be one-time in nature and not recurring. OEB staff also calculated the impact of these two main drivers on 2021 achieved ROE percentage as shown in Table 4.2 below.

Table 4.2: Impact of the Two Main Over-earning Drivers on 2021 Achieved ROE %

Description	2021
One-time Administration Fee (Other revenue)	\$46,944
Temporary decrease in OM&A	\$52,695
Increase in Regulated Net Income from the above two items	\$99,639
Deemed Equity (from RRR 2.1.5.6)	\$729,421
% Impact on the 2021 ROE from the above two items (OEB staff calculation)	13.7%
2021 Achieved ROE % Reported	24.43%
2021 Achieved ROE % Adjusted for the above two items	10.77%

OEB staff noted that the impact of these two drivers on the 2021 ROE percentage is substantial (13.7%). Excluding the impact of these two main drivers, Chapleau Public Utilities' 2021 achieved ROE is 10.77%, which is within 300 basis points of the deemed ROE of 8.98% approved in the 2019 cost of service proceeding. OEB staff also submitted that the differential between deemed and actual interest expense is not included in the 2021 ROE of 24.43% and is not a driver for over earning. Therefore, OEB staff concluded that in its view there are only two main drivers for the 2021 over earning, and that both are likely one-time events.

¹⁴ Manager's Summary, page 21

¹⁵ Staff-7

In its reply submission, Chapleau Public Utilities stated that it had no issues with OEB staff's submission and agreed with all of OEB staff's views and opinions.

Findings

The OEB finds Chapleau Public Utilities over earnings the result of two extenuating events that are unlikely to be repeated and therefore no further action is required.

Chapleau Public Utilities' request for a 3.25% rate adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Chapleau Public Utilities' new rates shall be effective May 1, 2023.

5. RETAIL TRANSMISSION SERVICE RATES

Chapleau Public Utilities is connected to Hydro One Networks Inc.'s (Hydro One's) transmission system, and pays transmission rates based on the OEB-approved Uniform Transmission Rates (UTRs). Chapleau Public Utilities is also partially embedded within Hydro One's distribution system. As a result, it pays retail transmission service rates (RTSRs) to Hydro One.

To recover its cost of transmission services, Chapleau Public Utilities requests approval to adjust the RTSRs that it charges its customers in accordance with the UTRs and the host distributor RTSRs currently in effect.

Findings

Chapleau Public Utilities' proposed adjustment to its RTSRs is approved. The RTSRs have been adjusted based on the current OEB-approved UTRs and host-RTSRs.¹⁶

UTRs and host-RTSRs are typically approved annually by the OEB. In the event that new UTRs and host-RTSRs take effect during Chapleau Public Utilities' 2023 rate year, any resulting differences (from the prior-approved UTRs and host-RTSRs) are to be captured in Retail Settlement Variance Accounts 1584 (Retail Transmission Network Charge) and 1586 (Retail Transmission Connection Charge).

¹⁶ EB-2022-0250, Decision and Order, December 8, 2022 and EB-2022-0110, Decision and Order, November 29, 2022

6. GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB will review a distributor's Group 1 deferral and variance accounts to determine whether those balances should be disposed. OEB policy states that Group 1 account balances should be disposed if they exceed, on a net basis (as a debit or credit), a pre-set disposition threshold of \$0.001 per kWh, unless a distributor justifies why the balances should not be disposed.¹⁷ If the net balance does not exceed the threshold, a distributor may still request disposition.¹⁸

The 2021 year-end net balance for Chapleau Public Utilities' Group 1 accounts eligible for disposition, including interest projected to April 30, 2023, is a debit of \$23,988 payable to Chapleau Public Utilities and pertains to variances accumulated during the 2021 calendar year. This amount represents a total claim of \$0.0011 per kWh, which exceeds the disposition threshold. Chapleau Public Utilities has requested disposition of this amount over a one-year period.

Included in the Group 1 accounts are certain variances related to costs that are paid for by a distributor's customers on different bases, depending on their classification. Namely, "Class A" customers, who participate in the Industrial Conservation Initiative, pay for Global Adjustment (GA) charges based on their contribution to the five highest Ontario demand peaks over a 12-month period. "Class B" customers pay for GA charges based on their monthly consumption totals, either as a standalone charge or embedded in the Regulated Price Plan (RPP).¹⁹ A similar mechanism applies to Class A and Class B customers for Capacity Based Recovery (CBR) charges.²⁰ The balance in the GA variance account is attributable to non-RPP Class B customers and is disposed through a separate rate rider. The balance in the CBR Class B variance account is attributable to all Class B customers.

Chapleau Public Utilities had no Class A customers during the period in which variances accumulated so it has applied to have the balance of the CBR Class B account disposed along with Account 1580 – Wholesale Market Service Charge through the general Deferral and Variance Account rate rider.

¹⁷ Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)." EB-2008-0046, July 31, 2009.

¹⁸ OEB letter, "Update to the Electricity Distributors' Deferral and Variance Account Review ("EDDVAR Report"), released July 2009 (EB-2008-0046)", issued July 25, 2014

¹⁹ For additional details on the Global Adjustment charge, refer to the Independent Electricity System Operator (IESO)'s [website](#).

²⁰ All Class B customers (RPP and non-RPP) pay the CBR as a separate charge based on their monthly consumption. For additional details on the CBR for Class A customers, refer to the IESO's [website](#).

Findings

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements*.

The OEB approves the disposition of a debit balance of \$23,988 as of December 31, 2021, including interest projected to April 30, 2023, for Group 1 accounts on a final basis.

Table 6.1 identifies the principal and interest amounts, which the OEB approves for disposition.

Table 6.1: 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	5,432	82	5,514
Smart Meter Entity Variance Charge	1551	(653)	(14)	(667)
RSVA - Wholesale Market Service Charge	1580	16,960	460	17,419
Variance WMS - Sub-account CBR Class B	1580	(3,334)	(72)	(3,405)
RSVA - Retail Transmission Network Charge	1584	8,208	211	8,419
RSVA - Retail Transmission Connection Charge	1586	(3,025)	(90)	(3,115)
RSVA - Power	1588	(1,643)	(53)	(1,697)
RSVA - Global Adjustment	1589	1,555	(34)	1,520
Total for Group 1 accounts		23,500	490	23,988

The balance of each of the Group 1 accounts approved for disposition shall be transferred to the applicable principal and carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in the *Accounting*

*Procedures Handbook for Electricity Distributors.*²¹ 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.

The OEB approves these balances to be disposed through final rate riders, charges, or payments, as calculated in the Rate Generator Model.

The final rate riders, charges, and payments, as applicable, will be in effect over a one-year period from May 1, 2023 to April 30, 2024.²²

²¹ Article 220, Account Descriptions, Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

²² 2023 IRM Rate Generator Model Tab 6.1 GA and Tab 7 Calculation of Def-Var RR

7. LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT

The OEB has historically utilized a Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) to capture a distributor's revenue implications resulting from differences between actual and forecast conservation and demand management (CDM) savings included in its last OEB-approved load forecast. The use of the LRAMVA is no longer the default approach for CDM activities.²³

Distributors delivered CDM programs to their customers through the Conservation First Framework (CFF) that began on January 1, 2015 until March 20, 2019, when the CFF was revoked.²⁴

Distributors filing an application for 2023 rates are required to seek disposition of all outstanding LRAMVA balances related to program savings for CFF programs or other conservation programs they delivered, unless they do not have complete information on eligible program savings.²⁵

Chapleau Public Utilities did not apply for disposition of any LRAMVA balance and confirmed that the balance in the LRAMVA is zero.

Findings

The balance in the LRAMVA is now zero, and no further entries to the LRAMVA are permitted at this time. The LRAMVA will not be discontinued, in the event that Chapleau Public Utilities requests the use of the LRAMVA for a CDM activity in a future application, which the OEB will consider on a case-by-case basis.²⁶

²³ Conservation and Demand Management Guidelines for Electricity Distributors, December 20, 2021, chapter 8.

²⁴ On March 20, 2019 the Minister of Energy, Northern Development and Mines issued separate Directives to the OEB and the IESO.

²⁵ Chapter 3 Filing Requirements, section 3.2.6.1

²⁶ Conservation and Demand Management Guidelines for Electricity Distributors, December 20, 2021, p. 28

8. 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 2016.²⁷

Distributors such as Chapleau Public Utilities, who are in a transition period that is greater than four years, or who commenced transition in a later year, are required to continue with this transition until the monthly service charge is fully fixed.

Chapleau Public Utilities deferred its rebasing application, originally scheduled for 2016, for three consecutive years. During that period, Chapleau Public Utilities also did not file IRM rate applications. In August 2018, Chapleau Public Utilities filed its cost of service application with the OEB for its 2019 rates. The OEB approved a five-year period for Chapleau Public Utilities to transition its residential rates to a fully fixed structure, starting in 2019, to mitigate the customers' bill impact.²⁸ The 2023 rate year is the fifth year of the transition.

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

Chapleau Public Utilities submitted that the implementation of the transition results in an increase to the fixed charge prior to the price cap adjustment of \$4.21. The bill impacts arising from the proposals in this application, including the fixed rate change, are below 10% for low-volume residential customers.

²⁷ OEB Policy – “A New Distribution Rate Design for Residential Electricity Customers.” EB-2012-0410, April 2, 2015

²⁸ EB-2018-0087, Decision and Rate Order, June 6, 2019

Findings

The OEB finds that the proposed 2023 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.

9. IMPLEMENTATION

This Decision is accompanied by a Rate Generator Model, applicable supporting models, and a Tariff of Rates and Charges (Schedule A). The Rate Generator Model also incorporates the rates set out in Table 9.1.

Table 9.1: Regulatory Charges

Rate	per kWh
Rural or Remote Electricity Rate Protection (RRRP)	\$0.0007
Wholesale Market Service (WMS) billed to Class A and B Customers	\$0.0041
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 and WMS rates were set by the OEB on December 8, 2022.²⁹

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 at \$0.42 on September 8, 2022.³⁰

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,³¹ 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. On December 8, 2022, the OEB issued a letter advising electricity distributors that the microFIT charge shall remain at \$4.55 for the duration of the 2023 calendar year.³²

²⁹ EB-2022-0269, Decision and Order, December 8, 2022

³⁰ EB-2022-0137, Decision and Order, September 8, 2022

³¹ EB-2010-0219, Report of the Board “Review of Electricity Distribution Cost Allocation Policy”, March 31, 2011

³² OEB Letter, issued December 8, 2022

10. ORDER

THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Chapleau Public Utilities Corporation's new final distribution rates shall be effective May 1, 2023, in accordance with the Tariff of Rates and Charges set out in Schedule A.
2. The Tariff of Rates and Charges is deemed draft until Chapleau Public Utilities Corporation has complied with the procedural steps set out below.
3. Chapleau Public Utilities Corporation shall review the Tariff of Rates and Charges and shall file with the OEB, as applicable, a written confirmation of its completeness and accuracy, or provide a detailed explanation of any inaccuracies or missing information, by **March 30, 2023**.
4. This Decision and Rate Order will be considered a final rate order if Chapleau Public Utilities Corporation does not provide a submission to the OEB that inaccuracies were found or information was missing pursuant to item 3.
5. If the OEB receives a submission from Chapleau Public Utilities Corporation to the effect that inaccuracies were found or information was missing pursuant to item 3, the OEB will consider the submission prior to issuing a final rate order.
6. Chapleau Public Utilities Corporation shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's [Rules of Practice and Procedure](#).

Please quote file number, **EB-2022-0021** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the [OEB's online filing portal](#).

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\)](#)

[Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.

- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact registrar@oeb.ca for assistance.
- Cost claims are filed through the OEB's online filing portal. Please visit the [File documents online page](#) of the OEB's website for more information. All participants shall download a copy of their submitted cost claim and serve it on all required parties as per the [Practice Direction on Cost Awards](#).

All communications should be directed to the attention of the Registrar and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Vince Mazzone at vince.mazzone@oeb.ca, and OEB Counsel, James Sidlofsky at james.sidlofsky@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, March 23, 2023

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

SCHEDULE A
DECISION AND RATE ORDER
CHAPLEAU PUBLIC UTILITIES CORPORATION
TARIFF OF RATES AND CHARGES
EB-2022-0021
March 23, 2023

Chapleau Public Utilities Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2023

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

EB-2022-0021

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively by a single family unit, non-commercial. This can be a separately metered living accommodation, town-house, apartment, semi-detached, duplex, triplex or quadruplex with residential zoning. 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	\$	57.01
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Low Voltage Service Rate	\$/kWh	0.0016
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until April 30, 2024		
Applicable only for Non-RPP Customers	\$/kWh	0.0003
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024	\$/kWh	0.0010
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0098
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0016

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Chapleau Public Utilities Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2023

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

EB-2022-0021

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non residential account taking electricity at 750 volts or less whose average monthly average peak demand is less than, or is forecast to be less than, 50 kW. 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	\$	38.62
Smart Metering Entity Charge - effective until December 31, 2027	\$	0.42
Distribution Volumetric Rate	\$/kWh	0.0290
Low Voltage Service Rate	\$/kWh	0.0016
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until April 30, 2024		
Applicable only for Non-RPP Customers	\$/kWh	0.0003
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024	\$/kWh	0.0010
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0087
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0016

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Chapleau Public Utilities Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2023

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

EB-2022-0021

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	212.49
Distribution Volumetric Rate	\$/kW	5.5117
Low Voltage Service Rate	\$/kW	0.5413
Rate Rider for Disposition of Global Adjustment Account (2023) - effective until April 30, 2024		
Applicable only for Non-RPP Customers	\$/kWh	0.0003
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024	\$/kW	0.3553
Retail Transmission Rate - Network Service Rate	\$/kW	3.6409
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.6060

Chapleau Public Utilities Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2023

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EB-2022-0021

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Chapleau Public Utilities Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2023

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EB-2022-0021

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is un-metered. Such connections include cable TV, power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. 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	\$	18.87
Distribution Volumetric Rate	\$/kWh	0.0254
Low Voltage Service Rate	\$/kWh	0.0016
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024	\$/kWh	0.0010
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0087
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0016

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Chapleau Public Utilities Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2023

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EB-2022-0021

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. 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	\$	12.07
Distribution Volumetric Rate	\$/kW	20.9906
Low Voltage Service Rate	\$/kW	0.4272
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024	\$/kW	0.3670
Retail Transmission Rate - Network Service Rate	\$/kW	2.7597
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.4783

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Chapleau Public Utilities Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2023

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EB-2022-0021

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, 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. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	1.47
Distribution Volumetric Rate	\$/kW	6.8377
Low Voltage Service Rate	\$/kW	0.4185
Rate Rider for Disposition of Deferral/Variance Accounts (2023) - effective until April 30, 2024	\$/kW	0.3595
Retail Transmission Rate - Network Service Rate	\$/kW	2.7459
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.4686

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0041
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0007
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Chapleau Public Utilities Corporation

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2023

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EB-2022-0021

microFIT SERVICE CLASSIFICATION

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

APPLICATION

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4.55
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Chapleau Public Utilities Corporation

TARIFF OF RATES AND CHARGES

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ALLOWANCES

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

SPECIFIC SERVICE CHARGES

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

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Customer Administration

Arrears certificate	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

Non-Payment of Account

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

Other

Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	36.05
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EB-2022-0021

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	\$	111.66
Monthly fixed charge, per retailer	\$	44.67
Monthly variable charge, per customer, per retailer	\$/cust.	1.11
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.66
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.66)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.56
Processing fee, per request, applied to the requesting party	\$	1.11
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)	\$	4.47
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)	\$	2.23

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	1.0705
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0599