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October 23, 2009

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor – 2300 Yonge Street  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Thunder Bay Hydro Electricity Distribution Inc. - 2010 Electricity  
Distribution Rate Application EB-2009-0245**

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Thunder Bay Hydro Electricity Distribution Inc. ("TBHEDI") is applying for authorization to adjust its current electricity distribution rates in accordance with the 3<sup>rd</sup> Generation Incentive Regulation Mechanism ("3GIRM").

TBHEDI utilized the following files provided by the Board to calculate the requested adjusted rates:

- 2010 OEB IRM3 Rate Generator
- 2010 OEB IRM3 Supplemental Filing Module
- IRM Deferral and Variance Account Workform.

Please find enclosed two hard copies of TBHEDI's 2010 Electricity Distribution Rates Adjustment Application. An electronic version of this application has been submitted through the e-Filing Services and emailed to the Board Secretary.

If you require any further information, please contact the undersigned at (807) 343-1118.

Yours truly,

A handwritten signature in cursive script that reads "Cindy Speziale".

Cindy Speziale, CA  
Vice President, Finance

CAS/dt

Enclosures.

## MANAGER'S SUMMARY

### 1. Distributor Profile

TBHEDI is a corporation incorporated pursuant to the Ontario Business Corporations Act with its head office in the City of Thunder Bay. TBHEDI carries on the business of distributing electricity within the City of Thunder Bay and Fort William First Nation Reserve.

TBHEDI is submitting its 2010 3<sup>rd</sup> GIRM Electricity Distribution Rate Application in accordance with the directives and guidelines issued by the Board and has not deviated from the Ontario Energy Board's 2010 3<sup>rd</sup> Generation Incentive Regulation Mechanism and 2010 Incentive Regulation Mechanism Supplemental Filing module.

### 2. Current Tariff Sheet

A copy of the 2009 Tariff Sheet, as issued by the Board on July 4, 2009, is shown in **Appendix A**.

### 3. Revenue to Cost Ratio Adjustment

In the Board's Decision and Order on TBHEDI's 2009 Cost of Service Rate Application, dated June 3, 2009, the Board stated on Pages 35 to 36:

*"It can be seen from the table that there are several classes that fall outside the respective Board policy ranges. It has been the Board's approach in other cost of service rebasing decisions to migrate nonconforming ratios into Board policy ranges over varying periods of time. The Board will adopt this approach in this case as well.*

*Of particular note is the GS 1000 to 4999 kW class which currently materially under contributes to the Company's revenue requirement. While bringing the ratio into line with Board policy ranges is important, the Board considers it equally important to accomplish that migration without undue hardship to any class of customers. In the case of this rate class the Board requires that the ratio evolve in equal increments to the lower boundary of the Board policy range by the time of the next scheduled rebasing, which may occur in four years. The additional revenues received from this class as a result of this evolution should be directed exclusively to the Residential class. Once the Residential class falls within the Board policy range the additional revenues should be allocated to all the rate classes which remain above 100% in proportion to their respective contributions of revenue.*

*For the GS 50 – 999 kW class, the shortfall is smaller and the impact of rebalancing is less and therefore the Board will require that the ratio be moved to the bottom of the range over two years.*

*The Board approves the Company's proposals with respect to Street Lights, Sentinel lights and Unmetered Scattered Load."*

In regards to the Street Lighting class, it can be found in TBHEDI's 2009 Cost of Service Application (Exhibit 7, Tab 1, Schedule 2, Page 3 of 4) filed on September 5, 2008, that TBHEDI proposed to change its revenue to cost ratio in equal increments to the bottom of the Board policy range by 2011.

As directed by the Board, TBHEDI has incorporated the following changes to the 2010 revenue to cost ratios:

- GS 1000 – 4999 kW class in equal increments such that in 2013 this class will be at the bottom of the Board policy range. This move is an increase of 6.86% to 59.42% in 2010.
- GS 50 – 999 kW class in equal increments such that in 2010 this class will be at the bottom of the Board policy range. This move is an increase of 6.95% to 80.00% in 2010.
- Street Lights class in equal increments such that in 2011 this class will be at the bottom of the Board policy range. This move is an increase of 13.99% to 56.01% in 2010.
- Residential class to allocate the additional revenues from the above changes to lower its revenue contribution, which will now be 0.35% over the upper boundary of the Board's policy range in 2010. This move is a decrease of 5.59% to 115.36% in 2010.

Please note that the source of the revenue offsets allocation on Tab C1.2 of the 2010 OEB Supplemental Filing Module is the amended 2006 Cost Allocation Information Filing as filed in TBHEDI's 2009 Cost of Service Application.

#### 4. K-Factor Adjustment

The K-Factor Adjustment on Tab E1.2 of the Supplementary Filing Model has calculated a K-Factor Adjustment of (0.50)% for TBHEDI. This decrease has been applied to the TBHEDI's Revenue Requirement from distribution rates. The adjustment is the result of the final transition for the three year capital structure transition to a deemed 60% Debt and 40% Equity. In determining its 2010 rates for General rate classes, TBHEDI has been classified as a small distributor and has the following deemed capital structure:

- Short term debt 4.0%
- Long term debt 56.0%
- Equity 40.0%

#### 5. Price Cap Adjustment

The proposed Price Cap Adjustment for TBHEDI, as per the calculations provided on Tab G1.1 of the Supplementary Filing Module, is 1.18%. TBHEDI understands that this value will change when the final GDP-IPi value is published by the Board. In addition, TBHEDI understands that the productivity factor will remain fixed throughout the 3rd Generation IR plan and that the Stretch Factor will be adjusted once the Board has completed its ranking of distributors into their appropriate efficiency cohorts, and that these cohorts will be re-evaluated annually, based on efficiency improvements during the term of the plan.

## 6. Deferral and Variance Account Rate Rider

Currently, TBHEDI has a regulatory asset rate rider in place with a sunset date of April 30, 2011. After completing the Deferral and Variance Account Workform, TBHEDI confirms that it will not request an additional rate rider as it did not pass the threshold test for disposal of the Group 1 Accounts.

As per the Board's instruction, TBHEDI has used its 2009 Load Forecast on Tab 1.3 of the Deferral and Variance Account Workform, which was approved by the Board in TBHEDI's 2009 Cost of Service Application.

## 7. LRAM/SSM Rate Rider

Currently, TBHEDI has a LRAM/SSM rate rider in place with a sunset date of April 30, 2012. TBHEDI confirms that it is not requesting an additional rate rider for the 2010 GIRM Rate Application.

## 8. Smart Metering Rate Adder

In the Board's Decision and Order on TBHEDI's 2009 Cost of Service Rate Application, dated June 3, 2009, the Board stated on Page 44 to 45:

*"In a number of the 2008 distribution rate applications, the Board permitted a number of applicants, not then authorized to deploy smart meters, to collect an increased amount by way of the smart meter rate adder in anticipation of that authorization forthcoming through legislation or regulation. In the Board's view, increasing the rate adder to \$1.97 per month per meter going forward would provide Thunder Bay with funds to support the rollout in 2009, as planned, and avoid rate shock upon completion of smart meter deployment.*

*...The Board finds that Thunder Bay has complied with legislation and with the Board's Guideline G-2008-0002, and so approves an increased smart meter funding adder of \$1.97 per month per metered customer."*

In the 2010 3<sup>rd</sup> GIRM Rate Application, TBHEDI is requesting the continuation of the current Smart Meter Funding Adder of \$1.97 per month per metered customer.

## 9. Z-Factor Tax Change Adjustment

TBHEDI has a Z-Factor Tax Change Adjustment resulting from the decrease in tax rates. A rate rider has been calculated based on a sharing of 50% of the tax reduction. This amount will be refunded to customers over a 12 month period commencing May 1, 2010 and ending April 30, 2011 via a volumetric rate rider.

TBHEDI does not have a Z-Factor Tax Change Adjustment for CCA Rate Changes. The applicable CCA Rate changes were incorporated into the 2009 Cost of Service Application, and thus, do not need to be adjusted in the 2010 Rate Application.

## 10. Incremental Capital Adjustment

TBHEDI is not applying for an Incremental Capital Adjustment at this time.

## 11. Adjustment of Retail Transmission Service Rates

In accordance with *Chapter 3 of the Filing Requirements for Transmission and Distribution Applications*, issued July 22, 2009, TBHEDI has adjusted the Retail Transmission Service Rates (RTSRs) by the following percentage changes:

- Network Service Rate 3.5%
- Transformation Connection Service Rate (2.2)%

## 12. Loss Factors

TBHEDI is not requesting any changes to the loss factors previously approved by the Board in its 2009 Cost of Service Application.

## 13. Specific Service Charges

TBHEDI is not requesting any changes to the specific service charges previously approved by the Board in its 2009 Cost of Service Application.

## 14. Bill Impacts

Bill impacts are shown on the O Series sheets of the "2010 OEB 3IRM Rate Generator" file, which form part of the 2010 3rd Generation IRM Model. Specific bill impacts are noted on the following schedules:

- O1.1 summarizes by rate class the individual changes made to the service charges and distribution volumetric rates
- O2.1 shows the calculation of Bill Impact by the various rate classes

As per the request from the previous Rate Application, a copy of the 2010 Proposed Bill Impacts is shown for the Residential and GS less than 50 kW Classes in **Appendix B**.

## 15. Proposed 2010 Tariff of Rates and Charges

A copy of the 2010 Proposed Tariff of Rates and Charges derived from the "2010 OEB 3IRM Rate Generator" file is shown in **Appendix C**.

## Thunder Bay Hydro Electricity Distribution Inc.

### CURRENT TARIFF OF RATES AND CHARGES

#### CURRENT MONTHLY RATES AND CHARGES

##### Residential

Service Charge	\$	12.72
Service Charge Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$	1,500.00
Distribution Volumetric Rate	\$/kWh	0.0135
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider – effective until Monday, April 30, 2012	\$/kWh	0.00040
Distribution Volumetric Deferral Account Rate Rider – effective until Saturday, April 30, 2011	\$/kWh	(0.00080)
Distribution Volumetric Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$/kWh	(0.00030)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0046
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0037
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

##### General Service Less Than 50 kW

Service Charge	\$	19.89
Service Charge Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$	2,560.00
Distribution Volumetric Rate	\$/kWh	0.0131
Distribution Volumetric Deferral Account Rate Rider – effective until Saturday, April 30, 2011	\$/kWh	(0.00120)
Distribution Volumetric Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$/kWh	0.00060
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0043
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0034
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

##### General Service 50 to 999 kW

Service Charge	\$	220.13
Service Charge Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$	33,610.00
Distribution Volumetric Rate	\$/kW	1.2274
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider – effective until Monday, April 30, 2012	\$/kW	0.00210
Distribution Volumetric Deferral Account Rate Rider – effective until Saturday, April 30, 2011	\$/kW	(0.53880)
Distribution Volumetric Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$/kW	0.16370
Retail Transmission Rate – Network Service Rate	\$/kW	1.7259
Retail Transmission Rate – Network Service Rate – Interval metered	\$/kW	1.8308
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3130
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval metered	\$/kW	1.4511
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

##### General Service 1,000 to 4,999 kW

Service Charge	\$	2,105.35
Service Charge Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$	472,250.00
Distribution Volumetric Rate	\$/kW	1.6795
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider – effective until Monday, April 30, 2012	\$/kW	0.00280
Distribution Volumetric Deferral Account Rate Rider – effective until Saturday, April 30, 2011	\$/kW	(0.54010)
Distribution Volumetric Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$/kW	0.24310
Retail Transmission Rate – Network Service Rate	\$/kW	1.8308
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4511
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

##### Unmetered Scattered Load

Service Charge (per connection)	\$	8.94
Service Charge Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$	0.43000
Distribution Volumetric Rate	\$/kWh	0.0130
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider – effective until Monday, April 30, 2012	\$/kWh	0.01430
Distribution Volumetric Deferral Account Rate Rider – effective until Saturday, April 30, 2011	\$/kWh	(0.00150)
Distribution Volumetric Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$/kWh	0.00060
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0043
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0034
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## Sentinel Lighting

Service Charge (per connection)	\$	6.43
Service Charge Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$	0.31000
Distribution Volumetric Rate	\$/kW	5.1586
Distribution Volumetric Deferral Account Rate Rider – effective until Saturday, April 30, 2011	\$/kW	(0.41620)
Distribution Volumetric Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$/kW	0.24640
Retail Transmission Rate – Network Service Rate	\$/kW	1.3082
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.0363
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## Street Lighting

Service Charge (per connection)	\$	1.25
Service Charge Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$	0.91000
Distribution Volumetric Rate	\$/kW	7.5549
Distribution Volumetric Deferral Account Rate Rider – effective until Saturday, April 30, 2011	\$/kW	(0.44260)
Distribution Volumetric Foregone Distribution Revenue Rate Rider – effective until Monday, August 31, 2009	\$/kW	5.49800
Retail Transmission Rate – Network Service Rate	\$/kW	1.3015
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.0150
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## CURRENT SPECIFIC SERVICE CHARGES

### Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Easement letter	\$	15.00
Account history	\$	15.00
Returned cheque charge (plus bank charges)	\$	25.00
Legal letter charge	\$	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	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
Disconnect/Reconnect at pole - during regular hours	\$	185.00
Disconnect/Reconnect at pole - after regular hours	\$	415.00

### Other

Install/Remove load control device - during regular hours	\$	65.00
Install/Remove load control device - after regular hours	\$	185.00
Service call - customer-owned equipment	\$	30.00
Service call - after regular hours	\$	165.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35

## Allowances

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

## Current Retail Service Charges (if applicable)

### Retail Service Charges (if applicable)

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	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	\$/cust.	(0.30)

### Service Transaction Requests (STR)

Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
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)	\$	2.00

## LOSS FACTORS

Total Loss Factor - Secondary Metered Customer < 5,000 kW		1.0448
Total Loss Factor - Secondary Metered Customer > 5,000 kW		N/A
Total Loss Factor - Primary Metered Customer < 5,000 kW		1.0343
Total Loss Factor - Primary Metered Customer > 5,000 kW		N/A

Name of LDC: Thunder Bay Hydro Electricity Distribution Inc.  
 File Number: EB-2009-0250  
 Effective Date: Saturday, May 01, 2010

**Residential**

Monthly Rates and Charges	Metric	Current Rate	Applied For Rate
Service Charge	\$	12.72	10.28
Service Charge Rate Adder(s)	\$	-	1.97
Service Charge Rate Rider(s)	\$	1.50	-
Distribution Volumetric Rate	\$/kWh	0.0135	0.0129
Distribution Volumetric Rate Adder(s)	\$/kWh	-	-
Low Voltage Volumetric Rate	\$/kWh	-	-
Distribution Volumetric Rate Rider(s)	\$/kWh	-0.0007	0.0005
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0046	0.0048
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0037	0.0036
Retail Transmission Rate – Low Voltage Service Rate	\$/kWh	-	-
Wholesale Market Service Rate	\$/kWh	0.0052	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	\$/kWh	0.25	0.25

<b>Consumption</b>	<b>800</b>	<b>kWh</b>	<b>-</b>	<b>kW</b>
<b>RPP Tier One</b>	<b>600</b>	<b>kWh</b>	<b>Load Factor</b>	

**Loss Factor 1.0448**

Residential	Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	600	0.0570	34.20	600	0.0570	34.20	0.00	0.0%	36.09%
Energy Second Tier (kWh)	236	0.0660	15.58	236	0.0660	15.58	0.00	0.0%	16.44%
<b>Sub-Total: Energy</b>			<b>49.78</b>			<b>49.78</b>	<b>0.00</b>	<b>0.0%</b>	<b>52.53%</b>
Service Charge	1	12.72	12.72	1	10.28	10.28	-2.44	(19.2)%	10.85%
Service Charge Rate Adder(s)	1	0.00	0.00	1	1.97	1.97	1.97	0.0%	2.08%
Distribution Volumetric Rate	800	0.0135	10.80	800	0.0129	10.32	-0.48	(4.4)%	10.89%
Distribution Volumetric Rate Adder(s)	800	0.0000	0.00	800	0.0000	0.00	0.00	0.0%	0.00%
Low Voltage Volumetric Rate	800	0.0000	0.00	800	0.0000	0.00	0.00	0.0%	0.00%
Distribution Volumetric Rate Rider(s)	800	-0.0007	-0.56	800	-0.0005	-0.40	0.16	(28.6)%	-0.42%
<b>Total: Distribution</b>			<b>24.46</b>			<b>22.17</b>	<b>-2.29</b>	<b>(9.4)%</b>	<b>23.39%</b>
Retail Transmission Rate – Network Service Rate	836	0.0046	3.85	836	0.0048	4.01	0.16	4.2%	4.23%
Retail Transmission Rate – Line and Transformation Connection Service Rate	836	0.0037	3.09	836	0.0036	3.01	-0.08	(2.6)%	3.18%
Retail Transmission Rate – Low Voltage Volumetric Rate	836	0.0000	0.00	836	0.0000	0.00	0.00	0.0%	0.00%
<b>Total: Retail Transmission</b>			<b>6.94</b>			<b>7.02</b>	<b>0.08</b>	<b>1.2%</b>	<b>7.41%</b>
<b>Sub-Total: Delivery (Distribution and Retail Transmission)</b>			<b>31.40</b>			<b>29.19</b>	<b>-2.21</b>	<b>(7.0)%</b>	<b>30.80%</b>
Wholesale Market Service Rate	836	0.0052	4.35	836	0.0052	4.35	0.00	0.0%	4.59%
Rural Rate Protection Charge	836	0.0013	1.09	836	0.0013	1.09	0.00	0.0%	1.15%
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.0%	0.26%
<b>Sub-Total: Regulatory</b>			<b>5.69</b>			<b>5.69</b>	<b>0.00</b>	<b>0.0%</b>	<b>6.00%</b>
Debt Retirement Charge (DRC)	800	0.00700	5.60	800	0.00700	5.60	0.00	0.0%	5.91%
<b>Total Bill before Taxes</b>			<b>92.47</b>			<b>90.26</b>	<b>-2.21</b>	<b>(2.4)%</b>	<b>95.24%</b>
GST	92.47	5%	4.62	90.26	5%	4.51	-0.11	(2.4)%	4.76%
<b>Total Bill</b>			<b>97.09</b>			<b>94.77</b>	<b>-2.32</b>	<b>(2.4)%</b>	<b>100.00%</b>



**Residential**

	kWh	250	600	800	1,400	2,250
Loss Factor Adjusted kWh		262	627	836	1,463	2,351
	kW					
Load Factor						

**Energy**

Applied For Bill	\$ 14.93	\$ 35.98	\$ 49.78	\$ 91.16	\$ 149.77
Current Bill	\$ 14.93	\$ 35.98	\$ 49.78	\$ 91.16	\$ 149.77
\$ Impact	\$ -	\$ -	\$ -	\$ -	\$ -
% Impact	0.0%	0.0%	0.0%	0.0%	0.0%
% of Total Bill	39.3%	49.3%	52.5%	56.9%	59.2%

**Distribution**

Applied For Bill	\$ 15.35	\$ 19.68	\$ 22.16	\$ 29.58	\$ 40.11
Current Bill	\$ 17.43	\$ 21.90	\$ 24.46	\$ 32.14	\$ 43.03
\$ Impact	\$ -2.08	\$ -2.22	\$ -2.30	\$ -2.56	\$ -2.92
% Impact	-11.9%	-10.1%	-9.4%	-8.0%	-6.8%
% of Total Bill	40.4%	27.0%	23.4%	18.5%	15.9%

**Retail Transmission**

Applied For Bill	\$ 2.20	\$ 5.27	\$ 7.02	\$ 12.29	\$ 19.74
Current Bill	\$ 2.18	\$ 5.20	\$ 6.94	\$ 12.14	\$ 19.51
\$ Impact	\$ 0.02	\$ 0.07	\$ 0.08	\$ 0.15	\$ 0.23
% Impact	0.9%	1.3%	1.2%	1.2%	1.2%
% of Total Bill	5.8%	7.2%	7.4%	7.7%	7.8%

**Delivery (Distribution and Retail Transmission)**

Applied For Bill	\$ 17.55	\$ 24.95	\$ 29.18	\$ 41.87	\$ 59.85
Current Bill	\$ 19.61	\$ 27.10	\$ 31.40	\$ 44.28	\$ 62.54
\$ Impact	\$ -2.06	\$ -2.15	\$ -2.22	\$ -2.41	\$ -2.69
% Impact	-10.5%	-7.9%	-7.1%	-5.4%	-4.3%
% of Total Bill	46.2%	34.2%	30.8%	26.1%	23.7%

**Regulatory**

Applied For Bill	\$ 1.95	\$ 4.33	\$ 5.69	\$ 9.76	\$ 15.54
Current Bill	\$ 1.95	\$ 4.33	\$ 5.69	\$ 9.76	\$ 15.54
\$ Impact	\$ -	\$ -	\$ -	\$ -	\$ -
% Impact	0.0%	0.0%	0.0%	0.0%	0.0%
% of Total Bill	5.1%	5.9%	6.0%	6.1%	6.1%

**Debt Retirement Charge**

Applied For Bill	\$ 1.75	\$ 4.20	\$ 5.60	\$ 9.80	\$ 15.75
Current Bill	\$ 1.75	\$ 4.20	\$ 5.60	\$ 9.80	\$ 15.75
\$ Impact	\$ -	\$ -	\$ -	\$ -	\$ -
% Impact	0.0%	0.0%	0.0%	0.0%	0.0%
% of Total Bill	4.6%	5.8%	5.9%	6.1%	6.2%

**GST**

Applied For Bill	\$ 1.81	\$ 3.47	\$ 4.51	\$ 7.63	\$ 12.05
Current Bill	\$ 1.91	\$ 3.58	\$ 4.62	\$ 7.75	\$ 12.18
\$ Impact	\$ -0.10	\$ -0.11	\$ -0.11	\$ -0.12	\$ -0.13
% Impact	-5.2%	-3.1%	-2.4%	-1.5%	-1.1%
% of Total Bill	4.8%	4.8%	4.8%	4.8%	4.8%

**Total Bill**

Applied For Bill	\$ 37.99	\$ 72.93	\$ 94.76	\$ 160.22	\$ 252.96
Current Bill	\$ 40.15	\$ 75.19	\$ 97.09	\$ 162.75	\$ 255.78
\$ Impact	\$ -2.16	\$ -2.26	\$ -2.33	\$ -2.53	\$ -2.82
% Impact	-5.4%	-3.0%	-2.4%	-1.6%	-1.1%

Name of LDC: Thunder Bay Hydro Electricity Distribution Inc.  
 File Number: EB-2009-0250  
 Effective Date: Saturday, May 01, 2010

**General Service Less Than 50 kW**

Monthly Rates and Charges	Metric	Current Rate	Applied For Rate
Service Charge	\$	19.89	18.04
Service Charge Rate Adder(s)	\$	-	1.97
Service Charge Rate Rider(s)	\$	2.56	-
Distribution Volumetric Rate	\$/kWh	0.0131	0.0132
Distribution Volumetric Rate Adder(s)	\$/kWh	-	-
Low Voltage Volumetric Rate	\$/kWh	-	-
Distribution Volumetric Rate Rider(s)	\$/kWh	-0.0006	-0.0013
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0043	0.0045
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0034	0.0033
Retail Transmission Rate – Low Voltage Service Rate	\$/kWh	-	-
Wholesale Market Service Rate	\$/kWh	0.0052	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013	0.0013
Standard Supply Service – Administration Charge (if applicable)	\$/kWh	0.25	0.25

<b>Consumption</b>	<b>2,000</b>	<b>kWh</b>	<b>-</b>	<b>kW</b>
<b>RPP Tier One</b>	<b>750</b>	<b>kWh</b>	<b>Load Factor</b>	

**Loss Factor 1.0448**

General Service Less Than 50 kW		Volume	RATE \$	CHARGE \$	Volume	RATE \$	CHARGE \$	\$	%	% of Total Bill
Energy First Tier (kWh)	750	0.0570	42.75	750	0.0570	42.75	0.00	0.0%	18.58%	
Energy Second Tier (kWh)	1,340	0.0660	88.44	1,340	0.0660	88.44	0.00	0.0%	38.43%	
<b>Sub-Total: Energy</b>			<b>131.19</b>				<b>131.19</b>	<b>0.00</b>	<b>0.0%</b>	<b>57.01%</b>
Service Charge	1	19.89	19.89	1	18.04	18.04	-1.85	(9.3)%	7.84%	
Service Charge Rate Adder(s)	1	0.00	0.00	1	1.97	1.97	1.97	0.0%	0.86%	
Distribution Volumetric Rate	2,000	0.0131	26.20	2,000	0.0132	26.40	0.20	0.8%	11.47%	
Distribution Volumetric Rate Adder(s)	2,000	0.0000	0.00	2,000	0.0000	0.00	0.00	0.0%	0.00%	
Low Voltage Volumetric Rate	2,000	0.0000	0.00	2,000	0.0000	0.00	0.00	0.0%	0.00%	
Distribution Volumetric Rate Rider(s)	2,000	-0.0006	-1.20	2,000	-0.0013	-2.60	-1.40	116.7%	-1.13%	
<b>Total: Distribution</b>			<b>47.45</b>			<b>43.81</b>	<b>-3.64</b>	<b>(7.7)%</b>	<b>19.04%</b>	
Retail Transmission Rate – Network Service Rate	2,090	0.0043	8.99	2,090	0.0045	9.41	0.42	4.7%	4.09%	
Retail Transmission Rate – Line and Transformation Connection Service Rate	2,090	0.0034	7.11	2,090	0.0033	6.90	-0.21	(3.0)%	3.00%	
Retail Transmission Rate – Low Voltage Volumetric Rate	2,090	0.0000	0.00	2,090	0.0000	0.00	0.00	0.0%	0.00%	
<b>Total: Retail Transmission</b>			<b>16.10</b>			<b>16.31</b>	<b>0.21</b>	<b>1.3%</b>	<b>7.09%</b>	
<b>Sub-Total: Delivery (Distribution and Retail Transmission)</b>			<b>63.55</b>			<b>60.12</b>	<b>-3.43</b>	<b>(5.4)%</b>	<b>26.13%</b>	
Wholesale Market Service Rate	2,090	0.0052	10.87	2,090	0.0052	10.87	0.00	0.0%	4.72%	
Rural Rate Protection Charge	2,090	0.0013	2.72	2,090	0.0013	2.72	0.00	0.0%	1.18%	
Standard Supply Service – Administration Charge (if applicable)	1	0.25	0.25	1	0.25	0.25	0.00	0.0%	0.11%	
<b>Sub-Total: Regulatory</b>			<b>13.84</b>			<b>13.84</b>	<b>0.00</b>	<b>0.0%</b>	<b>6.01%</b>	
Debt Retirement Charge (DRC)	2,000	0.00700	14.00	2,000	0.00700	14.00	0.00	0.0%	6.08%	
<b>Total Bill before Taxes</b>			<b>222.58</b>			<b>219.15</b>	<b>-3.43</b>	<b>(1.5)%</b>	<b>95.24%</b>	
GST	222.58	5%	11.13	219.15	5%	10.96	-0.17	(1.5)%	4.76%	
<b>Total Bill</b>			<b>233.71</b>			<b>230.11</b>	<b>-3.60</b>	<b>(1.5)%</b>	<b>100.00%</b>	

**General Service Less Than 50 kW**

	kWh 1,000	2,000	7,500	15,000	20,000
Loss Factor Adjusted kWh	1,045	2,090	7,837	15,673	20,897
	kW				
Load Factor					

**Energy**

Applied For Bill	\$ 62.22	\$ 131.19	\$ 510.49	\$ 1,027.67	\$ 1,372.45
Current Bill	\$ 62.22	\$ 131.19	\$ 510.49	\$ 1,027.67	\$ 1,372.45
\$ Impact	\$ -	\$ -	\$ -	\$ -	\$ -
% Impact	0.0%	0.0%	0.0%	0.0%	0.0%
% of Total Bill	50.9%	57.0%	62.0%	62.9%	63.1%

**Distribution**

Applied For Bill	\$ 31.93	\$ 43.85	\$ 109.40	\$ 198.78	\$ 258.37
Current Bill	\$ 34.95	\$ 47.45	\$ 116.20	\$ 209.95	\$ 272.45
\$ Impact	\$ 3.02	\$ 3.60	\$ 6.80	\$ 11.17	\$ 14.08
% Impact	-8.6%	-7.6%	-5.9%	-5.3%	-5.2%
% of Total Bill	26.1%	19.1%	13.3%	12.2%	11.9%

**Retail Transmission**

Applied For Bill	\$ 8.15	\$ 16.30	\$ 61.13	\$ 122.25	\$ 163.00
Current Bill	\$ 8.04	\$ 16.10	\$ 60.35	\$ 120.68	\$ 160.91
\$ Impact	\$ 0.11	\$ 0.20	\$ 0.78	\$ 1.57	\$ 2.09
% Impact	1.4%	1.2%	1.3%	1.3%	1.3%
% of Total Bill	6.7%	7.1%	7.4%	7.5%	7.5%

**Delivery (Distribution and Retail Transmission)**

Applied For Bill	\$ 40.08	\$ 60.15	\$ 170.53	\$ 321.03	\$ 421.37
Current Bill	\$ 42.99	\$ 63.55	\$ 176.55	\$ 330.63	\$ 433.36
\$ Impact	\$ 2.91	\$ 3.40	\$ 6.02	\$ 9.60	\$ 11.99
% Impact	-6.8%	-5.4%	-3.4%	-2.9%	-2.8%
% of Total Bill	32.8%	26.1%	20.7%	19.7%	19.4%

**Regulatory**

Applied For Bill	\$ 7.04	\$ 13.84	\$ 51.19	\$ 102.12	\$ 136.08
Current Bill	\$ 7.04	\$ 13.84	\$ 51.19	\$ 102.12	\$ 136.08
\$ Impact	\$ -	\$ -	\$ -	\$ -	\$ -
% Impact	0.0%	0.0%	0.0%	0.0%	0.0%
% of Total Bill	5.8%	6.0%	6.2%	6.3%	6.3%

**Debt Retirement Charge**

Applied For Bill	\$ 7.00	\$ 14.00	\$ 52.50	\$ 105.00	\$ 140.00
Current Bill	\$ 7.00	\$ 14.00	\$ 52.50	\$ 105.00	\$ 140.00
\$ Impact	\$ -	\$ -	\$ -	\$ -	\$ -
% Impact	0.0%	0.0%	0.0%	0.0%	0.0%
% of Total Bill	5.7%	6.1%	6.4%	6.4%	6.4%

**GST**

Applied For Bill	\$ 5.82	\$ 10.96	\$ 39.24	\$ 77.79	\$ 103.50
Current Bill	\$ 5.96	\$ 11.13	\$ 39.54	\$ 78.27	\$ 104.09
\$ Impact	\$ 0.14	\$ 0.17	\$ 0.30	\$ 0.48	\$ 0.59
% Impact	-2.3%	-1.5%	-0.8%	-0.6%	-0.6%
% of Total Bill	4.8%	4.8%	4.8%	4.8%	4.8%

**Total Bill**

Applied For Bill	\$122.16	\$ 230.14	\$ 823.95	\$ 1,633.61	\$ 2,173.40
Current Bill	\$125.21	\$ 233.71	\$ 830.27	\$ 1,643.69	\$ 2,185.98
\$ Impact	\$ 3.05	\$ 3.57	\$ 6.32	\$ 10.08	\$ 12.58
% Impact	-2.4%	-1.5%	-0.8%	-0.6%	-0.6%

**Thunder Bay Hydro Electricity Distribution Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective Saturday, May 01, 2010**

EB-2009-0250

## MONTHLY RATES AND CHARGES

**Applied For Monthly Rates and Charges General****Residential**

Service Charge	\$	10.28
Service Charge Smart Meter Funding Adder	\$	1.97
Distribution Volumetric Rate	\$/kWh	0.0129
Distribution Volumetric Tax Change Rate Rider – effective until Saturday, April 30, 2011	\$/kWh	(0.00010)
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider – effective until Monday, April 30, 2012	\$/kWh	0.00040
Distribution Volumetric Deferral Account Rate Rider One – effective until Saturday, April 30, 2011	\$/kWh	(0.00080)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0048
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0036
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**General Service Less Than 50 kW**

Service Charge	\$	18.04
Service Charge Smart Meter Funding Adder	\$	1.97
Distribution Volumetric Rate	\$/kWh	0.0132
Distribution Volumetric Tax Change Rate Rider – effective until Saturday, April 30, 2011	\$/kWh	(0.00010)
Distribution Volumetric Deferral Account Rate Rider One – effective until Saturday, April 30, 2011	\$/kWh	(0.00120)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0045
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0033
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**General Service 50 to 999 kW**

Service Charge	\$	241.63
Service Charge Smart Meter Funding Adder	\$	1.97
Distribution Volumetric Rate	\$/kW	1.3594
Distribution Volumetric Tax Change Rate Rider – effective until Saturday, April 30, 2011	\$/kW	(0.01410)
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider – effective until Monday, April 30, 2012	\$/kW	0.00210
Distribution Volumetric Deferral Account Rate Rider One – effective until Saturday, April 30, 2011	\$/kW	(0.53880)
Retail Transmission Rate – Network Service Rate	\$/kW	1.7863
Retail Transmission Rate – Network Service Rate – Interval metered	\$/kW	1.8949
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2841
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval metered	\$/kW	1.4192
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**General Service 1,000 to 4,999 kW**

Service Charge	\$	2,343.31
Service Charge Smart Meter Funding Adder	\$	1.97
Distribution Volumetric Rate	\$/kW	1.8711
Distribution Volumetric Tax Change Rate Rider – effective until Saturday, April 30, 2011	\$/kW	(0.01160)
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider – effective until Monday, April 30, 2012	\$/kW	0.00280
Distribution Volumetric Deferral Account Rate Rider One – effective until Saturday, April 30, 2011	\$/kW	(0.54010)
Retail Transmission Rate – Network Service Rate	\$/kW	1.8949
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4192
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Unmetered Scattered Load**

Service Charge (per connection)	\$	9.00
Distribution Volumetric Rate	\$/kWh	0.0131
Distribution Volumetric Tax Change Rate Rider – effective until Saturday, April 30, 2011	\$/kWh	(0.00020)
Distribution Volumetric Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider – effective until Monday, April 30, 2012	\$/kWh	0.01430
Distribution Volumetric Deferral Account Rate Rider One – effective until Saturday, April 30, 2011	\$/kWh	(0.00150)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0045
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0033
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Sentinel Lighting**

Service Charge (per connection)	\$	6.47
Distribution Volumetric Rate	\$/kW	5.1932
Distribution Volumetric Tax Change Rate Rider – effective until Saturday, April 30, 2011	\$/kW	(0.16160)
Distribution Volumetric Deferral Account Rate Rider One – effective until Saturday, April 30, 2011	\$/kW	(0.41620)
Retail Transmission Rate – Network Service Rate	\$/kW	1.3540
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.0135
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## Street Lighting

Service Charge (per connection)	\$	1.71
Distribution Volumetric Rate	\$/kW	10.3334
Distribution Volumetric Tax Change Rate Rider – effective until Saturday, April 30, 2011	\$/kW	(0.07790)
Distribution Volumetric Deferral Account Rate Rider One – effective until Saturday, April 30, 2011	\$/kW	(0.44260)
Retail Transmission Rate – Network Service Rate	\$/kW	1.3471
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.9927
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## Specific Service Charges

### Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Easement letter	\$	15.00
Account history	\$	15.00
Returned cheque charge (plus bank charges)	\$	25.00
Legal letter charge	\$	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	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter - after regular hours	\$	185.00
Disconnect/Reconnect at pole - during regular hours	\$	185.00
Disconnect/Reconnect at pole - after regular hours	\$	415.00

### Other

Install/Remove load control device - during regular hours	\$	65.00
Install/Remove load control device - after regular hours	\$	185.00
Service call - customer-owned equipment	\$	30.00
Service call - after regular hours	\$	165.00
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35

## Allowances

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

## Retail Service Charges (if applicable)

### Retail Service Charges (if applicable)

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	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	\$/cust.	(0.30)

### Service Transaction Requests (STR)

Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
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)	\$	2.00

## LOSS FACTORS

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0448
Total Loss Factor - Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0343
Total Loss Factor - Primary Metered Customer > 5,000 kW	N/A