



EB-2012-0138

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an application by Hydro Ottawa Limited for an order or orders approving or fixing just and reasonable distribution rates and other charges, to be effective January 1, 2013.

BEFORE: Marika Hare
Presiding Member

Ken Quesnelle
Member

DECISION AND ORDER

December 6, 2012

Introduction

Hydro Ottawa Limited ("Hydro Ottawa"), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the "Board") on August 3, 2012 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that Hydro Ottawa charges for electricity distribution, to be effective January 1, 2013.

Hydro Ottawa is one of 77 electricity distributors in Ontario regulated by the Board. The *Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* (the "IR Report"), issued on July 14, 2008, established a three year plan for 3rd generation incentive regulation mechanism ("IRM") (i.e., rebasing plus three years). In its October 27, 2010 letter regarding the development of a Renewed Regulatory

Framework for Electricity (“RRFE”), the Board announced that it was extending the IRM plan until such time as the RRFE policy initiatives have been substantially completed. In a letter dated October 18, 2012, the Board stated its expectation that the three rate setting methods set out in the *Report of the Board – Renewed Regulatory Framework for Electricity Distributors: A Performance-Based Approach* would be available for the 2014 rate year.

As part of the plan, Hydro Ottawa is one of the electricity distributors that will have its rates adjusted for 2013 on the basis of the IRM process, which provides for a mechanistic and formulaic adjustment to distribution rates and charges between cost of service applications.

To streamline the process for the approval of distribution rates and charges for distributors, the Board issued its IR Report, *Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario’s Electricity Distributors* on September 17, 2008 (the “Supplemental Report”), and *Addendum to the Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario’s Electricity Distributors* on January 28, 2009 (collectively the “Reports”). Among other things, the Reports provide the relevant guidelines for 2013 rate adjustments for distributors applying for distribution rate adjustments pursuant to the IRM process. On June 28, 2012, the Board issued an update to Chapter 3 of the Board’s *Filing Requirements for Transmission and Distribution Applications* (the “Filing Requirements”), which outlines the application filing requirements for IRM applications based on the policies in the Reports.

Notice of Hydro Ottawa’s rate application was given through newspaper publication in Hydro Ottawa’s service area advising interested parties where the rate application could be viewed and advising how they could intervene in the proceeding or comment on the application.

No letters of comment were received. The Notice of Application indicated that the Board does not intend to award costs in this proceeding as the applicant has only made proposals of a mechanistic nature within the Board’s guidelines. No party applied for intervenor status in this proceeding. Board staff participated in the proceeding. The Board proceeded by way of a written hearing.

While the Board has considered the entire record in this proceeding, it has made reference only to such evidence as is necessary to provide context to its findings. The following issues are addressed in this Decision and Order:

- Price Cap Index Adjustment;
- Rural or Remote Electricity Rate Protection Charge;
- MicroFIT Service Charge;
- Shared Tax Savings Adjustments;
- Retail Transmission Service Rates; and
- Review and Disposition of Group 1 Deferral and Variance Account Balances.

Price Cap Index Adjustment

As outlined in the Reports, distribution rates under the IRM are to be adjusted by a price escalator, less a productivity factor of 0.72% and a stretch factor.

On October 4, 2012, the Board announced a price escalator of 2.2% for those distributors under IRM that have a rate year commencing January 1, 2013.

The stretch factors are assigned to distributors based on the results of two benchmarking evaluations to divide the Ontario industry into three efficiency cohorts. In its letter to Licensed Electricity Distributors dated November 28, 2012, the Board assigned Hydro Ottawa to efficiency cohort 2 and a cohort specific stretch factor of 0.4%.

On that basis, the resulting price cap index adjustment is 1.08% (i.e. $2.2\% - (0.72\% + 0.4\%)$). The price cap index adjustment applies to distribution rates (fixed and variable charges) uniformly across customer classes.

The price cap index 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;
- Rural or Remote Rate Protection Charge;
- Standard Supply Service – Administrative Charge;
- Transformation and Primary Metering Allowances;
- Loss Factors;
- Specific Service Charges;
- MicroFIT Service Charge; and
- Retail Service Charges.

Rural or Remote Electricity Rate Protection Charge

As of the date of this Decision and Order, the Board has not issued its decision on the status of the Rural or Remote Electricity Rate Protection (“RRRP”) benefit and charge for 2013. In the event that the Board’s decision and rate order establishes a new RRRP charge for 2013, the RRRP rate order will supersede the tariff of rates and charges flowing from this IRM Decision and Order with respect to the RRRP charge.

MicroFIT Service Charge

On September 20, 2012, the Board issued a letter advising that the default province-wide fixed monthly charge for all electricity distributors related to the microFIT Generator Service Classification was to be updated to \$5.40 per month effective with the implementation of electricity distributors’ 2013 rates applications. The draft Tariff of Rates and Charges flowing from this Decision and Order reflects the new default microFIT service charge.

Shared Tax Savings Adjustments

In its Supplemental Report, the Board determined that a 50/50 sharing of the impact of currently known legislated tax changes, as applied to the tax level reflected in the Board-approved base rates for a distributor, is appropriate.

In its Manager's Summary, Hydro Ottawa stated that "the total tax related amounts in 2013 will be higher than 2012 and therefore no tax sharing is required".

In interrogatory #3, Board staff asked Hydro Ottawa to explain its position that no tax sharing is required, in terms of consistency with the Board's filing requirements. Hydro Ottawa indicated that the re-calculated tax sharing debit of \$71,225 results in volumetric kWh rate riders to be collected from customers, when rounded to the fourth decimal place, that are \$0.0000. Hydro Ottawa also stated that "if directed, Hydro Ottawa will record the \$71,225 to be recovered in a USoA account to be determined by the Board for disposition in a future rate setting, however in light of the fact that the amount is *de minimus*, we would prefer not do this".

Board staff submitted that it had no issues with Hydro Ottawa's proposal to forgo the recovery of the tax sharing debit of \$71,225.

The Board notes that there is no disagreement by the parties with respect to Hydro Ottawa's proposal to forgo the recovery of the tax sharing debit of \$71,225. The Board approves the proposal as filed.

Retail Transmission Service Rates

Electricity distributors are charged the Ontario Uniform Transmission Rates ("UTRs") at the wholesale level and subsequently pass these charges on to their distribution customers through the Retail Transmission Service Rates ("RTSRs"). Variance accounts are used to capture timing differences and differences in the rate that a distributor pays for wholesale transmission service compared to the retail rate that the distributor is authorized to charge when billing its customers (i.e. variance Accounts 1584 and 1586).

On June 22, 2012 the Board issued revision 3.0 of the *Guideline G-2008-0001 - Electricity Distribution Retail Transmission Service Rates* (the "RTSR Guideline"). The RTSR Guideline outlines the information that the Board requires electricity distributors to file to adjust their RTSRs for 2013. The RTSR Guideline requires electricity distributors to adjust their RTSRs based on a comparison of historical transmission costs adjusted for the new UTR levels and the revenues generated under existing

RTSRs. The objective of resetting the rates is to minimize the prospective balances in Accounts 1584 and 1586. In order to assist electricity distributors in the calculation of the distributors' specific RTSRs, Board staff provided a filing module.

As of the date of this Decision and Order, the Board has not issued its Rate Order for Hydro One Transmission (EB-2012-0031) which will adjust the UTRs effective January 1, 2013. The Board will therefore approve the RTSRs as partially adjusted in this application. The differences arising from the new UTRs will be captured in Accounts 1584 and 1586 for future disposition.

Review and Disposition of Group 1 Deferral and Variance Account Balances

The *Report of the Board on Electricity Distributors' Deferral and Variance Account Review Report Initiative* (the "EDDVAR Report") provides that, during the IRM plan term, the distributor's Group 1 account balances will be reviewed and disposed if the preset disposition threshold of \$0.001 per kWh (debit or credit) is exceeded. The onus is on the distributor to justify why any account balance in excess of the threshold should not be disposed.

Hydro Ottawa's 2011 actual year-end total balance for Group 1 Accounts including interest projected to December 31, 2012 is a credit of \$22,097,496. This amount results in a total credit claim of \$0.0029 per kWh, which exceeds the preset disposition threshold. Hydro Ottawa proposed to dispose of this credit amount over a one-year period.

In its submission, Board staff noted that the principal amounts to be disposed as of December 31, 2011 reconcile with the amounts reported as part of the *Reporting and Record-keeping Requirements* ("RRR"). Board staff submitted that the amounts should be disposed on a final basis. Board staff further submitted that Hydro Ottawa's proposal for a one-year disposition period is in accordance with the EDDVAR Report.

The Board approves, on a final basis, the disposition of a credit balance of \$22,097,496 as of December 31, 2011, including interest as of December 31, 2012 for Group 1 accounts. These balances are to be disposed over a one year period from January 1, 2013 to December 31, 2013.

The table below identifies the principal and interest amounts approved for disposition for Group 1 Accounts.

Account Name	Account Number	Principal Balance A	Interest Balance B	Total Claim C = A + B
LV Variance Account	1550	-1,024,964	-21,877	-1,046,841
RSVA - Wholesale Market Service Charge	1580	-7,769,681	-177,269	-7,946,950
RSVA - Retail Transmission Network Charge	1584	776,426	17,673	794,099
RSVA - Retail Transmission Connection Charge	1586	-1,220,099	-29,838	-1,249,937
RSVA - Power (excluding Global Adjustment)	1588	-7,489,997	133,261	-7,356,737
RSVA - Power – Global Adjustment Sub-Account	1588	-5,192,002	-99,128	-5,291,131
Recovery of Regulatory Asset Balances	1590			
Disposition and Recovery of Regulatory Balances (2008)	1595			
Disposition and Recovery of Regulatory Balances (2009)	1595			
Total Group 1 Excluding Global Adjustment Sub-Account				-\$16,806,366
Total Group 1				-\$22,097,496

For accounting and reporting purposes, the respective balance of each Group 1 account approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year. This entry should be completed on a timely basis to ensure that these adjustments are included in the reporting period ending March 31, 2013 (Quarter 1).

Rate Model

With this Decision and Order, the Board is providing Hydro Ottawa with a rate model (spreadsheet) and applicable supporting models and a draft Tariff of Rates and Charges (Appendix A) that reflects the elements of this Decision. The Board also reviewed the

entries in the rate model to ensure that they were in accordance with the 2012 Board approved Tariff of Rates and Charges and the rate model was adjusted, where applicable, to correct any discrepancies.

THE BOARD ORDERS THAT:

1. Hydro Ottawa's new distribution rates shall be effective January 1, 2013.
2. Hydro Ottawa shall review the draft Tariff of Rates and Charges set out in Appendix A. Hydro Ottawa shall file with the Board a written confirmation assessing the completeness and accuracy of the draft Tariff of Rates and Charges, or provide a detailed explanation of any inaccuracies or missing information within **7 days** of the date of issuance of this Decision and Order.
3. If the Board does not receive a submission from Hydro Ottawa to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Order, the draft Tariff of Rates and Charges set out in Appendix A of this Decision and Order will become final, except for the stand-by rates which remain interim, effective January 1, 2013, and will apply to electricity consumed or estimated to have been consumed on and after January 1, 2013. Hydro Ottawa shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.
4. If the Board receives a submission from Hydro Ottawa to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Order, the Board will consider the submission of Hydro Ottawa and will issue a final Tariff of Rates and Charges.
5. Hydro Ottawa shall pay the Board's costs incidental to this proceeding upon receipt of the Board's invoice.

All filings to the Board must quote file number **EB-2012-0138**, be made through the Board's web portal at, <https://www.pes.ontarioenergyboard.ca/eservice/> and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format.

Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.ontarioenergyboard.ca. If the web portal is not available parties may email their document to Boardsec@ontarioenergyboard.ca. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 2 paper copies.

DATED at Toronto, December 6, 2012

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Appendix A

To Decision and Order

Draft Tariff of Rates and Charges

Board File No: EB-2012-0138

DATED: December 6, 2012

Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2013

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

EB-2012-0138

RESIDENTIAL SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 120/240 volts single phase where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triple or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. 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 Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	9.40
Distribution Volumetric Rate	\$/kWh	0.0228
Low Voltage Service Rate	\$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until January 1, 2014	\$/kWh	(0.0022)
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until January 1, 2014		
Applicable only for Non-RPP Customers	\$/kWh	(0.0011)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0073
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0042

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2013

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EB-2012-0138

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts taking electricity at 750 volts or less whose 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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	16.25
Distribution Volumetric Rate	\$/kWh	0.0204
Low Voltage Service Rate	\$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until January 1, 2014	\$/kWh	(0.0022)
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until January 1, 2014 Applicable only for Non-RPP Customers	\$/kWh	(0.0011)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0040

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2013

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EB-2012-0138

GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts 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 1,500 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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	253.42
Distribution Volumetric Rate	\$/kW	3.4679
Low Voltage Service Rate	\$/kW	0.0235
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until January 1, 2014	\$/kW	(0.9028)
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until January 1, 2014 Applicable only for Non-RPP Customers	\$/kW	(0.0011)
Retail Transmission Rate - Network Service Rate	\$/kW	2.7448
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5945

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2013

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EB-2012-0138

GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 1,500 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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4,074.88
Distribution Volumetric Rate	\$/kW	3.3897
Low Voltage Service Rate	\$/kW	0.0252
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until January 1, 2014	\$/kW	(1.0655)
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until January 1, 2014		
Applicable only for Non-RPP Customers	\$/kW	(0.0011)
Retail Transmission Rate - Network Service Rate	\$/kW	2.8500
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7040

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2013

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EB-2012-0138

LARGE USE SERVICE CLASSIFICATION

This classification refers to an account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater 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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	14,798.91
Distribution Volumetric Rate	\$/kW	3.2188
Low Voltage Service Rate	\$/kW	0.0283
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until January 1, 2014	\$/kW	(1.2404)
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until January 1, 2014		
Applicable only for Non-RPP Customers	\$/kW	(0.0011)
Retail Transmission Rate - Network Service Rate	\$/kW	3.1593
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9189

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2013

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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 120/240 volts single phase whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. These 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. Qualification for this classification is at the discretion of Hydro Ottawa as defined in its Conditions of Service.

APPLICATION

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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 Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	4.30
Distribution Volumetric Rate	\$/kWh	0.0213
Low Voltage Service Rate	\$/kWh	0.0001
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until January 1, 2014	\$/kWh	(0.0022)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0040

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2013

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EB-2012-0138

STANDBY POWER - APPROVED ON AN INTERIM BASIS SERVICE

This classification refers to an account that has Load Displacement Generation equal to or greater than 500 kW and requires the distributor to provide back-up service. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	118.94
Standby Charge - for a month where standby power is not provided. The charge is applied to the contracted amount (e.g. Nameplate rating of generation facility):		
General Service 50 to 1,499 kW customer	\$/kW	1.5734
General Service 1,500 to 4,999 kW customer	\$/kW	1.4433
General Service Large Use customer	\$/kW	1.6016

Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2013

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EB-2012-0138

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 Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	2.54
Distribution Volumetric Rate	\$/kW	9.7512
Low Voltage Service Rate	\$/kW	0.0179
Retail Transmission Rate - Network Service Rate	\$/kW	2.0262
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.1845

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2013

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

EB-2012-0138

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 controlled by photocells. The consumption for these customers is based on the calculated connected load times the required lighting times established in the approved OEB 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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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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 Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	0.54
Distribution Volumetric Rate	\$/kW	3.8862
Low Voltage Service Rate	\$/kW	0.0175
Rate Rider for Disposition of Deferral/Variance Accounts (2013) - effective until January 1, 2014	\$/kW	(0.7421)
Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until January 1, 2014		
Applicable only for Non-RPP Customers	\$/kW	(0.0011)
Retail Transmission Rate - Network Service Rate	\$/kW	2.0365
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2092

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2013

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EB-2012-0138

MICROFIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Ontario Power Authority'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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

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EB-2012-0138

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$	(0.45)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule

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

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 Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Customer Administration

Arrears certificate	\$	15.00
Duplicate Invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Credit Reference/credit check (plus credit agency costs)	\$	15.00
Unprocessed Payment Charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00

Non-Payment of Account

Late Payment – per month	%	1.50
Late Payment – per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
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
Temporary Service – Install & remove – overhead – no transformer	\$	500.00
Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35
Dry core transformer distribution charge		As per Attached Table

Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2013

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RETAIL SERVICE CHARGES (if applicable)

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

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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 Board approval, such as the Debt Retirement Charge, charges for the Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

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

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	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

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	1.0358
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0170
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0254
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0069

Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

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EB-2012-0138

Dry Core Transformer Charges

Transformers	No Load Loss (W)	Load Loss (W)	Cost of Transmission and LV per kW	Cost of Energy and Wholesale Market per kWh	Total Monthly cost of power	Cost of Distribution per kW	Total
Rates			\$4.44	\$0.09		\$2.85	
25 KVA 1 PH	150	900	\$0.71	\$7.95	\$8.66	\$0.46	\$9.12
37.5 KVA 1 PH	200	1200	\$0.95	\$10.60	\$11.55	\$0.61	\$12.16
50 KVA 1 PH	250	1600	\$1.21	\$13.33	\$14.54	\$0.78	\$15.32
75 KVA 1 PH	350	1900	\$1.62	\$18.37	\$19.99	\$1.04	\$21.03
100 KVA 1 PH	400	2600	\$1.95	\$21.36	\$23.31	\$1.25	\$24.56
150 KVA 1 PH	525	3500	\$2.58	\$28.11	\$30.69	\$1.66	\$32.35
167 KVA 1 PH	650	4400	\$3.21	\$34.86	\$38.07	\$2.06	\$40.13
200 KVA 1 PH	696	4700	\$3.43	\$37.32	\$40.75	\$2.20	\$42.96
225 KVA 1 PH	748	5050	\$3.69	\$40.11	\$43.80	\$2.37	\$46.16
250 KVA 1 PH	800	5400	\$3.95	\$42.89	\$46.84	\$2.53	\$49.37
*15 KVA 3 PH	125	650	\$0.57	\$6.54	\$7.11	\$0.37	\$7.47
*45 KVA 3 PH	300	1800	\$1.43	\$15.89	\$17.32	\$0.92	\$18.24
*75 KVA 3 PH	400	2400	\$1.90	\$21.19	\$23.09	\$1.22	\$24.31
*112.5 KVA 3 PH	600	3400	\$2.81	\$31.62	\$34.42	\$1.80	\$36.22
*150 KVA 3 PH	700	4500	\$3.40	\$37.34	\$40.74	\$2.18	\$42.92
*225 KVA 3 PH	900	5300	\$4.26	\$47.60	\$51.85	\$2.73	\$54.58
*300 KVA 3 PH	1100	6300	\$5.16	\$58.02	\$63.18	\$3.31	\$66.49
*500 KVA 3 PH	1500	9700	\$7.30	\$80.06	\$87.36	\$4.69	\$92.05
*750 KVA 3 PH	2100	12000	\$9.84	\$110.74	\$120.59	\$6.32	\$126.90
*1000 KVA 3 PH	2600	15000	\$12.22	\$137.23	\$149.45	\$7.84	\$157.30
*1500 KVA 3 PH	4000	22000	\$18.54	\$210.21	\$228.76	\$11.90	\$240.66
*2000 KVA 3 PH	4800	24000	\$21.68	\$250.21	\$271.89	\$13.92	\$285.81
*2500 KVA 3 PH	5700	26000	\$25.15	\$295.00	\$320.15	\$16.15	\$336.30

No Load and Load Losses from CSA standard C802-94 Maximum losses for distribution power and dry-type transformers commercial use

Average load factor = 0.46 average loss factor = 0.2489

* For non-preferred KVA ratings no load and load losses are interpolated as per CSA standard