



**EB-2012-0158**

**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 Ottawa River Power Corporation for an order or orders approving or fixing just and reasonable distribution rates and other charges, to be effective May 1, 2013.

**BEFORE:** Marika Hare  
Presiding Member

**DECISION AND ORDER**  
**April 4, 2013**

**Introduction**

Ottawa River Power Corporation (“ORPC”), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the “Board”) on January 8, 2013 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 ORPC charges for electricity distribution, to be effective May 1, 2013.

ORPC is one of 77 electricity distributors in Ontario regulated by the Board. The *Report of the Board on 3<sup>rd</sup> Generation Incentive Regulation for Ontario’s Electricity Distributors* (the “IR Report”), issued on July 14, 2008, established a three year plan for 3<sup>rd</sup> 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, ORPC 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. ORPC also sought approval for adjustments to revenue-to-cost ratios.

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 3<sup>rd</sup> 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 3<sup>rd</sup> 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 ORPC's rate application was given through newspaper publication in ORPC'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. The Notice of Application indicated that intervenors could be eligible for cost awards with respect to ORPC's proposed revenue-to-cost ratio adjustments and its bill impacts. The Vulnerable Energy Consumers Coalition ("VECC") applied and was granted intervenor status in this proceeding. The Board granted VECC eligibility for cost awards in regards to ORPC's request for revenue-to-cost ratio adjustments and bill impacts. Board staff also 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 my findings. The following issues are addressed in this Decision and Order:

- Price Cap Index Adjustment;
- Rural or Remote Electricity Rate Protection Charge;
- Wholesale Market Service Rate;
- Smart Metering Entity Charge;
- MicroFIT Service Charge;
- Revenue-to-Cost Ratio Adjustments;

- 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 March 21, 2013, the Board announced a price escalator of 1.6% for those distributors under IRM that have a rate year commencing May 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 ORPC to efficiency cohort 2, being the middle group, and a resulting cohort specific stretch factor of 0.4%.

The Board therefore has determined, on that basis, that the resulting price cap index adjustment is 0.48% (i.e.  $1.6\% - (0.72\% + 0.4\%)$ ). 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**

On March 21, 2013, the Board issued a Decision with Reasons and Rate Order (EB-2013-0067) establishing that the Rural or Remote Electricity Rate Protection (“RRRP”) used by rate regulated distributors to bill their customers shall be \$0.0012 per kilowatt hour effective May 1, 2013. The draft Tariff of Rates and Charges flowing from this Decision and Order reflects this RRRP charge.

### **Wholesale Market Service Rate**

On March 21, 2013, the Board issued a Decision with Reasons and Rate Order (EB-2013-0067) establishing that the Wholesale Market Service rate (“WMS rate”) used by rate regulated distributors to bill their customers shall be \$0.0044 per kilowatt hour effective May 1, 2013. The draft Tariff of Rates and Charges flowing from this Decision and Order reflects this WMS rate.

### **Smart Metering Entity Charge**

On March 28, 2013, the Board issued a Decision and Order (EB-2012-0100/EB-2012-0211) establishing a Smart Metering Entity charge of \$0.79 per month for Residential and General Service < 50kW customers for those distributors identified in the Board’s annual *Yearbook of Electricity Distributors*. This charge will be in effect from May 1, 2013 to October 31, 2018. The draft Tariff of Rates and Charges flowing from this Decision and Order reflects this Smart Metering Entity 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.

## Revenue-to-Cost Ratio Adjustments

Revenue-to-cost ratios measure the relationship between the revenues expected from a class of customers and the level of costs allocated to that class. The Board has established target ratio ranges (the “Target Ranges”) for Ontario electricity distributors in its report *Application of Cost Allocation for Electricity Distributors*, dated November 28, 2007 and in its updated report *Review of Electricity Distribution Cost Allocation Policy*, dated March 31, 2011.

Pursuant to the Board’s decision in ORPC’s 2010 cost-of-service application (EB-2009-0165), ORPC proposed to increase the revenue-to-cost ratio for the Street Lighting rate class from 60% to 70%. The re-balancing was applied to the Residential class resulting in a decrease to the revenue-to-cost ratio from 108% to 107%.

The table below outlines the proposed revenue-to-cost ratios.

| Rate Class                      | Current 2012 Ratio | Proposed 2013 Ratio |
|---------------------------------|--------------------|---------------------|
| Residential                     | 1.08               | 1.07                |
| General Service Less Than 50 kW | 0.88               | 0.88                |
| General Service 50 to 4,999 kW  | 1.03               | 1.03                |
| Street Lighting                 | 0.60               | 0.70                |
| Sentinel Lighting               | 0.70               | 0.70                |
| Unmetered Scattered Load        | 0.80               | 0.80                |

In its submission, Board staff submitted that it had no issues with ORPC’s proposal.

VECC submitted that the revenue-to-cost ratio adjustments are in accordance with the EB-2010-0165 Decision.

ORPC submitted that it concurred with both Board staff and VECC and had no further comments on this matter.

The Board approves the revenue-to-cost ratios as filed as they are in accordance with the EB-2010-0165 Decision.

### **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.

The calculated annual tax reduction will be allocated to customer rate classes on the basis of the Board-approved base-year distribution revenue. These amounts will be refunded to customers over a 12-month period, through a volumetric rate rider using annualized consumption by customer class underlying the Board-approved base rates.

ORPC's application identified a total tax savings of \$7,194 resulting in a shared amount of \$3,597 to be refunded to rate payers.

ORPC requested the disposition of the tax savings amount to an account specified by the Board as the amount is immaterial

Board staff submitted it had no issues with ORPC's proposal.

The Board agrees with ORPC's request and directs ORPC to record the tax sharing refund of \$3,597 in variance Account 1595 by June 30, 2013 for disposition at a future date.

### **Retail Transmission Service Rates ("RTSRs")**

Electricity distributors are charged for transmission costs at the wholesale level and subsequently pass these charges on to their distribution customers through the 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 Ontario Uniform Transmission Rates levels and the revenues generated under existing RTSRs. Similarly, embedded distributors whose host is Hydro One Networks Inc. (“Hydro One”) should adjust their RTSR’s to reflect any changes in Hydro One’s Sub-Transmission class 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.

ORPC is an embedded distributor whose host is Hydro One. ORPC also purchases power from Brookfield Energy Management Inc. (“BEMI”). In its reply submission, ORPC clarified that as part of its contract with BEMI, ORPC pays BEMI 50% of the Hydro One Sub-Transmission class rates.

On December 20, 2012, the Board approved new rates for Hydro One Sub-Transmission class RTSRs effective January 1, 2013 (EB-2012-0136), as shown in the following table.

#### **2013 Sub-Transmission RTSRs**

|  |               |
|--|---------------|
| Network Service Rate                   | \$3.18 per kW |
| <u>Connection Service Rates</u>        |               |
| Line Connection Service Rate           | \$0.70 per kW |
| Transformation Connection Service Rate | \$1.63 per kW |

The Board finds that these Sub-Transmission class RTSRs and BEMI contracted rates are to be incorporated into the filing module.

#### **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.

ORPC's 2011 actual year-end total balance for Group 1 Accounts including interest projected to April 30, 2013 is a debit of \$269,225. This amount results in a total debit claim of \$0.00140 per kWh, which exceeds the preset disposition threshold. ORPC proposed to dispose of this debit 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 Board's *Reporting and Record-keeping Requirements* ("RRR") filing, with one exception, i.e. Account 1588 (RSVA Power Sub-account – Global Adjustment) which indicates a variance of \$878 between the RRR 2.1.7 Trial Balance and the closing principal and interest balance as of December 31, 2011.

Board staff submitted that ORPC should charge this immaterial variance to non-utility expense. Board staff noted that by charging this amount to non-utility expense, the variance between the amount in the RRR and the amount in the continuity schedule will be equal to zero, and therefore the variance will not occur in a future application.

In its reply submission, ORPC concurred with Board staff and stated that ORPC will charge this amount to non-utility expense.

With respect to the disposition period, Board staff noted in its submission that ORPC's proposed one-year disposition period is consistent with the guidelines outlined in the EDDVAR Report. Board staff also noted that as indicated in Board staff interrogatory #1, the 2013 distribution rates proposed by ORPC amount to a monthly bill increase of \$17.35 or 18.78% for a residential customer using 800 kWh per month. Board staff further noted that ORPC's Application does not include a rate mitigation plan.

In response to Board staff interrogatory #1, ORPC indicated that it did not consider any rate mitigation plan. ORPC further indicated that the primary cause for this increase is not the actual distribution rate but the termination of a deferral account rate rider (credit) resulting from ORPC's 2010 cost of service rate application that will cease on April 30, 2013.



In its submission, Board staff recognized that the bill impacts are high, and noted that ORPC's customers benefitted from a shorter disposition period of amounts owing to them. Board staff submitted that it would be useful to the Board if ORPC were to provide in its reply submission the bill impacts associated with a two, three and four-year disposition period for the Residential and the GS < 50 kW rate classes.

As this is a substantial rate increase, ORPC has put in place a plan to communicate the explanation for this increase to its customers.

In its submission, VECC noted ORPC's efforts to explain the monthly bill increase to customers and acknowledged that ORPC's communication plan is appropriate.

In its reply submission, ORPC provided the bill impacts suggested by Board staff. ORPC noted that the difference is less than one dollar for both residential and GS<50 kW customers when implementing a longer phase in period and submitted that it stands behind its request to dispose of Group 1 Deferral and Variance Account balances over a one-year period.

The Board notes that ORPC agreed with Board staff that the variance referenced above should be charged to non-utility expense.

The Board approves, on a final basis, the disposition of a debit balance of \$269,225 as of December 31, 2011, including interest as of April 30, 2013 for Group 1 accounts. These balances are to be disposed over a one-year period from May 1, 2013 to April 30, 2014. The Board endorses ORPC's plan to ensure appropriate communication to customers of this increase.

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

| Account Name   | Account Number | Principal Balance<br>A | Interest Balance<br>B | Total Claim<br>C = A + B |
|--|----------------|------------------------|-----------------------|--------------------------|
| LV Variance Account  | 1550           | 88,680                 | 3,118                 | 91,798                   |
| RSVA - Wholesale Market Service Charge                       | 1580           | 122,987                | -3,950                | 119,037                  |
| RSVA - Retail Transmission Network Charge                    | 1584           | 56,182                 | 2,890                 | 59,072                   |
| RSVA - Retail Transmission Connection Charge                 | 1586           | 265,969                | 4,049                 | 270,018                  |
| RSVA - Power (excluding Global Adjustment)                   | 1588           | -199,792               | -13,549               | -213,341                 |
| RSVA - Power – Global Adjustment Sub-Account                 | 1588           | -57,171                | -188                  | -57,359                  |
|  |                |                        |                       |                          |
| <b>Total Group 1 Excluding Global Adjustment Sub-Account</b> |                | <b>\$334,026</b>       | <b>-\$7,442</b>       | <b>\$326,584</b>         |
| <b>Total Group 1</b>   |                | <b>\$276,855</b>       | <b>-\$7,630</b>       | <b>\$269,225</b>         |

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 June 30, 2013 (Quarter 2).

### Rate Model

With this Decision, the Board is providing ORPC 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 has reviewed the entries in the rate model to ensure that they are 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. ORPC's new distribution rates shall be effective May 1, 2013.

2. ORPC shall review the draft Tariff of Rates and Charges set out in Appendix A. ORPC 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 ORPC 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, effective May 1, 2013, and will apply to electricity consumed or estimated to have been consumed on and after May 1, 2013. ORPC 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 ORPC 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 ORPC and will issue a final Tariff of Rates and Charges.

### Cost Awards

The Board will issue a separate decision on cost awards once the following steps are completed:

1. VECC shall submit their cost claims no later than **7 days** from the date of issuance of the final Rate Order.
2. ORPC shall file with the Board and forward to VECC any objections to the claimed costs within **21 days** from the date of issuance of the final Rate Order.
3. VECC shall file with the Board and forward to ORPC any responses to any objections for cost claims within **28 days** from the date of issuance of the final Rate Order.
4. ORPC 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-2012-0158**, 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](http://www.ontarioenergyboard.ca). If the web portal is not available parties may email their document to [BoardSec@ontarioenergyboard.ca](mailto: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, April 4, 2013

**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-2012-0158**

**DATED: April 4, 2013**

# Ottawa River Power Corporation

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2013

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

EB-2012-0158

## RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to customers residing in residential dwelling units. Energy is generally supplied as single phase, 3-wire, 60-Hertz, having nominal voltage of 120/240 volts and up to 400 amps. There shall be only one delivery point to a dwelling. The Basic Connection for Residential consumers is defined as 100 amp 120/240 volt overhead service. A Residential building is supplied at one service voltage per land parcel. Depending upon the location of the building the supply voltage will be one of the following:

- 120/240 volts 1 phase 3 wire
- 120/208 volts 1 phase 3 wire
- 120/208 volts 3 phase 4 wire
- 347/600 volts 3 phase 4 wire

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  | \$     | 10.87    |
| Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018                      | \$     | 0.79     |
| Distribution Volumetric Rate  | \$/kWh | 0.0148   |
| Low Voltage Service Rate  | \$/kWh | 0.0011   |
| Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014     | \$/kWh | (0.0033) |
| Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014 |        |          |
| Applicable only for Non-RPP Customers   | \$/kWh | 0.0011   |
| Rate Rider for Disposition of Deferral/Variance Account (2013) - effective until April 30, 2014     | \$/kWh | 0.0016   |
| Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2014 |        |          |
| Applicable only for Non-RPP Customers   | \$/kWh | (0.0012) |
| Retail Transmission Rate - Network Service Rate   | \$/kWh | 0.0060   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate                          | \$/kWh | 0.0042   |

## MONTHLY RATES AND CHARGES - Regulatory Component

|   |        |        |
|---|--------|--------|
| Wholesale Market Service Rate                                   | \$/kWh | 0.0044 |
| Rural Rate Protection Charge                                    | \$/kWh | 0.0012 |
| Standard Supply Service - Administrative Charge (if applicable) | \$     | 0.25   |

# Ottawa River Power Corporation

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2013

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

EB-2012-0158

## GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to General Service Buildings requiring a connection with a connected load less than 50 kW, and, Town Houses and Condominiums that require centralized bulk metering. General Service buildings are defined as buildings that are used for purposes other than single-family dwellings. A General Service building is supplied at one service voltage per land parcel. Depending upon the location of the building the supply voltage will be one of the following:

- 120/240 volts 1 phase 3 wire
- 120/208 volts 1 phase 3 wire
- 120/208 volts 3 phase 4 wire
- 347/600 volts 3 phase 4 wire

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  | \$     | 22.72    |
| Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018                      | \$     | 0.79     |
| Distribution Volumetric Rate  | \$/kWh | 0.0104   |
| Low Voltage Service Rate  | \$/kWh | 0.0010   |
| Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014     | \$/kWh | (0.0032) |
| Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014 |        |          |
| Applicable only for Non-RPP Customers   | \$/kWh | 0.0011   |
| Rate Rider for Disposition of Deferral/Variance Account (2013) - effective until April 30, 2014     | \$/kWh | 0.0016   |
| Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2014 |        |          |
| Applicable only for Non-RPP Customers   | \$/kWh | (0.0012) |
| Retail Transmission Rate - Network Service Rate   | \$/kWh | 0.0055   |
| Retail Transmission Rate - Line and Transformation Connection Service Rate                          | \$/kWh | 0.0037   |

### MONTHLY RATES AND CHARGES - Regulatory Component

|   |        |        |
|---|--------|--------|
| Wholesale Market Service Rate                                   | \$/kWh | 0.0044 |
| Rural Rate Protection Charge                                    | \$/kWh | 0.0012 |
| Standard Supply Service - Administrative Charge (if applicable) | \$     | 0.25   |

# Ottawa River Power Corporation

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2013

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

EB-2012-0158

## GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to General Service Customers requiring a connection with a connected load equal to or greater than 50 kW but less than 5,000kW. A General Service building is supplied at one service voltage per land parcel. Depending upon the location of the building the supply voltage will be one of the following:

- 120/240 volts 1 phase 3 wire
- 120/208 volts 3 phase 4 wire
- 347/600 volts 3 phase 4 wire

Depending upon the location of the building, primary supplies to transformers and customer owned Sub-Station will be one of the following as determined by the Distributor:

- 7,200/12,400 volts 3 phase 4 wire
- 44,000 volts 3 phase 3 wire

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  | \$    | 374.60   |
| Distribution Volumetric Rate  | \$/kW | 0.6418   |
| Low Voltage Service Rate  | \$/kW | 0.3954   |
| Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014     | \$/kW | (1.1444) |
| Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014 |       |          |
| Applicable only for Non-RPP Customers   | \$/kW | 0.3961   |
| Rate Rider for Disposition of Deferral/Variance Account (2013) - effective until April 30, 2014     | \$/kW | 0.6176   |
| Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2014 |       |          |
| Applicable only for Non-RPP Customers   | \$/kW | (0.4391) |
| Retail Transmission Rate - Network Service Rate   | \$/kW | 2.2465   |
| Retail Transmission Rate - Transformation Connection Service Rate                                   | \$/kW | 1.4946   |

### MONTHLY RATES AND CHARGES - Regulatory Component

|   |        |        |
|---|--------|--------|
| Wholesale Market Service Rate                                   | \$/kWh | 0.0044 |
| Rural Rate Protection Charge                                    | \$/kWh | 0.0012 |
| Standard Supply Service - Administrative Charge (if applicable) | \$     | 0.25   |



# Ottawa River Power Corporation

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2013

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

EB-2012-0158

## SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to privately owned roadway lighting controlled by photo cells. Consumption is based on calculated connected load times the required lighting hours. 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)   | \$    | 2.57            |
| Distribution Volumetric Rate  | \$/kW | 7.7959          |
| Low Voltage Service Rate  | \$/kW | 0.3121          |
| Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014     | \$/kW | <b>(1.1534)</b> |
| Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014 |       |                 |
| Applicable only for Non-RPP Customers   | \$/kW | 0.3691          |
| Rate Rider for Disposition of Deferral/Variance Account (2013) - effective until April 30, 2014     | \$/kW | 0.5756          |
| Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2014 |       |                 |
| Applicable only for Non-RPP Customers   | \$/kW | <b>(0.4093)</b> |
| Retail Transmission Rate - Network Service Rate   | \$/kW | 1.7028          |
| Retail Transmission Rate - Line and Transformation Connection Service Rate                          | \$/kW | 1.1796          |

### MONTHLY RATES AND CHARGES - Regulatory Component

|   |        |        |
|---|--------|--------|
| Wholesale Market Service Rate                                   | \$/kWh | 0.0044 |
| Rural Rate Protection Charge                                    | \$/kWh | 0.0012 |
| Standard Supply Service - Administrative Charge (if applicable) | \$     | 0.25   |

# Ottawa River Power Corporation

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2013

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

EB-2012-0158

## STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to municipal lighting, Ministry of Transportation operation controlled by photo cells. Consumption is as per OEB Street lighting load shape. 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)   | \$    | 2.20            |
| Distribution Volumetric Rate  | \$/kW | 12.0443         |
| Low Voltage Service Rate  | \$/kW | 0.3057          |
| Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014     | \$/kW | <b>(1.1256)</b> |
| Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2014 |       |                 |
| Applicable only for Non-RPP Customers   | \$/kW | 0.3725          |
| Rate Rider for Disposition of Deferral/Variance Account (2013) - effective until April 30, 2014     | \$/kW | 0.5808          |
| Rate Rider for Disposition of Global Adjustment Sub-Account (2013) - effective until April 30, 2014 |       |                 |
| Applicable only for Non-RPP Customers   | \$/kW | <b>(0.4130)</b> |
| Retail Transmission Rate - Network Service Rate   | \$/kW | 1.6941          |
| Retail Transmission Rate - Line and Transformation Connection Service Rate                          | \$/kW | 1.1555          |

### MONTHLY RATES AND CHARGES - Regulatory Component

|   |        |        |
|---|--------|--------|
| Wholesale Market Service Rate                                   | \$/kWh | 0.0044 |
| Rural Rate Protection Charge                                    | \$/kWh | 0.0012 |
| Standard Supply Service - Administrative Charge (if applicable) | \$     | 0.25   |

# Ottawa River Power Corporation

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2013

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EB-2012-0158

## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/ documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. 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 customer)   | \$     | 6.18                                      |
| Distribution Volumetric Rate  | \$/kWh | 0.0020                                    |
| Low Voltage Service Rate  | \$/kWh | 0.0010                                    |
| Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2014 | \$/kWh | <span style="color: red;">(0.0038)</span> |
| Rate Rider for Disposition of Deferral/Variance Account (2013) - effective until April 30, 2014 | \$/kWh | 0.0016                                    |
| Retail Transmission Rate - Network Service Rate   | \$/kWh | 0.0055                                    |
| Retail Transmission Rate - Line and Transformation Connection Service Rate                      | \$/kWh | 0.0037                                    |

### MONTHLY RATES AND CHARGES - Regulatory Component

|   |        |        |
|---|--------|--------|
| Wholesale Market Service Rate                                   | \$/kWh | 0.0044 |
| Rural Rate Protection Charge                                    | \$/kWh | 0.0012 |
| Standard Supply Service - Administrative Charge (if applicable) | \$     | 0.25   |

# Ottawa River Power Corporation

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2013

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EB-2012-0158

## 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.

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.

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 | \$ | 5.40 |
|----------------|----|------|

# Ottawa River Power Corporation

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2013

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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 and energy | %     | (1.00) |

## SPECIFIC SERVICE CHARGES

### APPLICATION

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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 |
| Account History   | \$ | 15.00 |
| Returned cheque 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 Charge – At Meter – After Hours | \$ | 185.00 |

# Ottawa River Power Corporation

## TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2013

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EB-2012-0158

## 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 monthly charge, per customer, per retailer  | \$/cust. | 0.30      |
| Retailer-consolidated billing monthly 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 | 1.0390 |
| Total Loss Factor – Primary Metered Customer < 5,000 kW   | 1.0286 |