



EB-2012-0155

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 Orangeville Hydro Limited 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

Orangeville Hydro Limited (“Orangeville Hydro”), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the “Board”) on October 12, 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 Orangeville Hydro charges for electricity distribution, to be effective May 1, 2013.

Orangeville Hydro 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, Orangeville Hydro 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. Orangeville Hydro also sought approval for adjustments to its 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 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 Orangeville Hydro's rate application was given through newspaper publication in Orangeville Hydro'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 intervenors could be eligible for cost awards with respect to Orangeville Hydro's proposed revenue-to-cost ratio adjustments. The Vulnerable Energy Consumers Coalition ("VECC") and Mr. and Ms. Steve Kovach applied for and were granted intervenor status in this proceeding. The Board granted VECC and Mr. and Ms. Steve Kovach eligibility for cost awards in regards to Orangeville Hydro's request for revenue-to-cost ratio adjustments. Mr. and Ms. Kovach stated that the purpose of their intervention request was to object to the proposed increase to Orangeville Hydro's electricity delivery rates. Subsequently, Mr. and Mrs. Kovach did not participate in the proceeding, and no letter of objection was received. As a result,

the Board will not be accepting cost claims from Mr. and Ms. Steve Kovach. 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 its 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;
- Review and Disposition of Group 1 Deferral and Variance Account Balances; and
- Adjustment to Account 1521.

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 1.60% 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 November 28, 2012 the Board assigned Orangeville Hydro 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. $1.60\% - (0.72\% + 0.4\%)$). 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.

The Board's decision in Orangeville Hydro's last cost of service rate application (EB-2009-0272) prescribed a three year phase-in period to increase the revenue-to-cost ratio for Sentinel Lighting and Street Lighting classes. The additional revenues from these adjustments were to be used to reduce the revenue-to-cost ratio for the Residential rate class. Orangeville Hydro's current application reflected the final phase by including adjustments to the current revenue-to-cost ratios for the Street Lighting and Sentinel Lighting classes from 59.46% to 70.00% and 60.80% to 70.00% respectively, resulting in an adjustment to the revenue-to-cost ratio for the Residential class from 108.11% to 107.60%.

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

Rate Class	Current 2012 Ratio	Proposed 2013 Ratio
Residential	108.11%	107.60%
General Service Less Than 50 kW	102.48%	102.48%

General Service 50 to 4,999 kW	80.59%	80.59%
Street Lighting	59.46%	70.00%
Sentinel Lighting	60.80%	70.00%
Unmetered Scattered Load	102.65%	102.65%

Board staff submitted that the proposed revenue-to-cost ratio adjustments were in accordance with the Board's decision in Orangeville Hydro's 2010 cost of service proceeding.

VECC submitted that the revenue to cost ratio adjustments are in accordance with the EB-2009-0272 decision and the Revenue to Cost Ratio Workform has been completed appropriately.

The Board agrees that the proposed revenue-to-cost ratios are consistent with the decision arising from the 2010 cost of service proceeding and therefore approves the revenue-to-cost ratios as filed.

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.

Orangeville Hydro's application identified a total tax savings of \$90,847 resulting in a shared amount of \$45,424 to be refunded to rate payers.

Board staff submitted that Orangeville Hydro completed the Tax-Savings workform with the correct rates which reflects the Revenue Requirement workform from the Board's cost of service Decision in EB-2009-0274.

The Board approves the disposition of the shared tax savings of \$45,424 over a one year period (i.e. May 1, 2013 to April 30, 2014) and the associated rate riders for all customer rate classes.

Retail Transmission Service Rates (“RTSR”)

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.

Orangeville Hydro is a fully embedded distributor whose host is Hydro One.

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
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The Board finds that these Sub-Transmission class RTSRs 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.

Orangeville Hydro's 2011 actual year-end total balance for Group 1 Accounts including interest projected to April 30, 2013 is a debit of \$64,578. This amount results in a total debit claim of \$0.0003 per kWh, which does not exceed the preset disposition threshold. Orangeville Hydro has not requested disposition of the Group 1 Accounts in this application.

In its submission, Board staff noted that the balance in the Group 1 Accounts as of December 31, 2011 reconcile with the amounts reported as part of the *Reporting and Record-keeping Requirements* ("RRR").

The Board therefore finds that no disposition is required at this time.

Adjustment to Account 1521

In its Manager's Summary, Orangeville Hydro noted that the balance in Account 1521 to the end of April 2012 was calculated as a credit balance of \$10,354.43 in Orangeville Hydro's 2012 IRM proceeding (EB-2011-0190). However, an error occurred in the calculation and the amount should have been a credit of \$854.41 (a difference of \$9,528.93). Orangeville Hydro noted that it cleared the \$10,354.43 amount, as part of its 2012 IRM application, from Account 1521 to render the account balance to zero and adjusted Account 1595 Disposition & Recovery/Refund of Regulatory Balances, Sub-Account balances accordingly.

Through the interrogatory process, Board staff noted that in Orangeville Hydro's 2012 IRM decision (EB-2011-0190), the Board approved, on a final basis, Orangeville Hydro's request for the disposition of principal and interest balances in Account 1521 totalling \$10,354.43 over a one-year period. In that decision, the Board directed Orangeville Hydro to close Account 1521 as of May 1, 2012. By way of interrogatories in this proceeding, Board staff requested that Orangeville Hydro explain how this initial overstatement occurred and to explain why Orangeville Hydro believes it is appropriate to make, what in Board staff's view, is a retroactive adjustment to Account 1521.

In response, Orangeville Hydro noted that "this initial overstatement was caused by an unbilled revenue calculation amounting to \$9,086.94 being included in the amount of \$64,281 recovered from customers in 2010. The unbilled revenue was not reversed in 2011 thus overstating the amount of revenue billed in 2011 by \$9,086.94¹".

Orangeville Hydro also stated that it wanted to bring this matter to the attention of the Board. Orangeville Hydro acknowledged that it is not typical of the Board to make a retroactive adjustment, and it was unsure how to handle the error.

In its submission, Board staff agreed that the Board does not generally permit retroactive adjustments to an account balance approved for disposition on a final basis. In regards to a retroactive adjustment to account balances that had already been cleared through a final rate order for North Bay Hydro (EB-2009-0113), the Board stated as follows:

"...However, once the rates, including any associated riders from the clearance of the RSVAs or any other account, have been determined to be final the Board has little, if any, power to alter these rates retroactively²."

That decision also noted the following:

"It is not rational to conclude that the Board's desire to maintain the use of deferral accounts suggests that the final disposition of deferral accounts is anything less than final³."

¹ EB-2012-0155, Interrogatory Responses, Page 5

² EB-2009-0113 North Bay Board Decision, September 9, 2009, Page 6

³ EB-2009-0113 North Bay Board Decision, September 9, 2009, Page 7

Accordingly, Board staff submitted that if the Board accepted the adjustment for Account 1521, this adjustment would, in effect, vary the Board's EB-2011-0190 decision.

As such, Board staff submitted that for regulatory purposes, the charge to Orangeville Hydro should be recorded in the non-utility expense account so that this amount is not recorded and included as part of Orangeville Hydro's rate-regulated activities.

In its reply submission, Orangeville Hydro requested that the Board reconsider permitting a retroactive adjustment to an account in this instance. Orangeville Hydro noted that normally, the Deferral and Variance accounts are audited prior to disposal and they are also confirmed with the RRR data and the filing of the audited financial statements. However, during Orangeville Hydro's 2012 IRM proceeding (EB-2011-0190), Orangeville Hydro was requested to forecast the balance in Account 1521. Therefore, as the balance was not audited, the error was not discovered until the end of the year.

Orangeville Hydro re-iterated its request that the entry made to Account 1521 to render the account balance to zero and adjusted Account 1595 Disposition & Recovery/Refund of Regulatory Balances, Sub-account balance be permitted.

The Board will not adjust for this error. Through the Decision in EB-2011-0190 and subsequent Rate Order the disposition of the Deferral and Variance account was declared final. In addition to the Board's refusal to allow for a retroactive adjustment, the Board restates its findings made in the North Bay Decision, as they apply equally to Orangeville Hydro that: "The utility has control of its books and records and has the responsibility to ensure mistakes do not occur. For this reason the Board could find in favour of the ratepayer in certain situations and not find in favour of the utility, if the utility was in the same situation".⁴

Rate Model

With this Decision, the Board is providing Orangeville Hydro 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

⁴ EB-2009-0113, page 8.

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. Orangeville Hydro's new distribution rates shall be effective May 1, 2013.
2. Orangeville Hydro shall review the draft Tariff of Rates and Charges set out in Appendix A. Orangeville Hydro 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 Orangeville Hydro 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. Orangeville Hydro 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 Orangeville Hydro 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 Orangeville Hydro 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 its cost claim no later than **7 days** from the date of issuance of the final Rate Order.
2. Orangeville Hydro 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 Orangeville Hydro any responses to any objections for cost claims within **28 days** from the date of issuance of the final Rate Order.
4. Orangeville Hydro 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-2012-0155**, 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, 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-2012-0155

DATED: April 4, 2013

Orangeville Hydro Limited

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-2012-0155

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, townhouse (freehold or condominium) dwelling units duplexes or triplexes. Basic connection is defined as 100 amp 12/240 volt overhead service. 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	\$	16.26
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	2.84
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0140
Low Voltage Service Rate	\$/kWh	0.0011
Rate Rider for Disposition of Deferral/Variance Account (2010) – effective until April 30, 2014	\$/kWh	(0.0013)
Rate Rider for Application of Tax Change (2013) - effective until April 30, 2014	\$/kWh	(0.0003)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0065
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0034

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

Orangeville Hydro Limited

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-2012-0155

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account taking electricity at 750 volts or less whose monthly peak demand is less than or expected to be less than 50 kW. Further servicing details are available in our 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	\$	33.27
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	7.02
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0101
Low Voltage Service Rate	\$/kWh	0.0010
Rate Rider for Disposition of Deferral/Variance Account (2010) – effective until April 30, 2014	\$/kWh	(0.0013)
Rate Rider for Application of Tax Change (2013) - effective until April 30, 2014	\$/kWh	(0.0002)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0031

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

Orangeville Hydro Limited

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-2012-0155

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to a non-residential account whose monthly average peak demand is equal to or greater than, or is expected to be equal to or greater than, 50 kW but less than 5000 kW. Further servicing details are available in our 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	\$	186.23
Distribution Volumetric Rate	\$/kW	2.1927
Low Voltage Service Rate	\$/kW	0.3999
Rate Rider for Disposition of Deferral/Variance Account (2010) – effective until April 30, 2014	\$/kW	(0.5054)
Rate Rider for Application of Tax Change (2013) - effective until April 30, 2014	\$/kW	(0.0288)
Retail Transmission Rate - Network Service Rate	\$/kW	2.4552
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2284

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

Orangeville Hydro Limited

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-2012-0155

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers 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 our 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)	\$	6.34
Distribution Volumetric Rate	\$/kWh	0.0089
Low Voltage Service Charge	\$/kWh	0.0010
Rate Rider for Disposition of Deferral/Variance Account (2010) – effective until April 30, 2014	\$/kWh	(0.0010)
Rate Rider for Application of Tax Change (2013) - effective until April 30, 2014	\$/kWh	(0.0004)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0031

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

Orangeville Hydro Limited

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-2012-0155

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)	\$	3.32
Distribution Volumetric Rate	\$/kW	12.9468
Low Voltage Service Charge	\$/kW	0.3156
Rate Rider for Disposition of Deferral/Variance Account (2010) – effective until April 30, 2014	\$/kW	(0.4833)
Rate Rider for Application of Tax Change (2013) - effective until April 30, 2014	\$/kW	(0.2444)
Retail Transmission Rate - Network Service Rate	\$/kW	1.8609
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.9696

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

Orangeville Hydro Limited

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-2012-0155

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to accounts concerning roadway lighting for a Municipality, Regional Municipality, and/or the Ministry of Transportation. This lighting will be controlled by photocells. The consumption for these customers will be based on the calculated connected load times as 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.

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.

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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 Ministry of Energy Conservation and Renewable Energy Program, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	1.51
Distribution Volumetric Rate	\$/kW	8.3561
Low Voltage Service Charge	\$/kW	0.3091
Rate Rider for Disposition of Deferral/Variance Account (2010) – effective until April 30, 2014	\$/kW	(0.4492)
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2013	\$/kW	(0.2056)
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2013		
Applicable only for Non-RPP Customers	\$/kW	0.6088
Rate Rider for Application of Tax Change (2013) - effective until April 30, 2014	\$/kW	(0.1366)
Retail Transmission Rate - Network Service Rate	\$/kW	1.8516
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.9495

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

Orangeville Hydro Limited
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-2012-0155

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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Orangeville Hydro Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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EB-2012-0155

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

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
Pulling Post Dated Cheques	\$	15.00
Notification charge	\$	15.00
Account History	\$	15.00
Credit Reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable – Residential)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Special meter reads	\$	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 Charge – At Pole – After Hours	\$	415.00
Temporary Service – Install & remove – overhead – no transformer	\$	500.00
Temporary Service Install & Remove – Underground – No Transformer	\$	300.00
Temporary service installation and removal – overhead – with transformer	\$	1,000.00
Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35

Orangeville Hydro Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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EB-2012-0155

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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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, 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	1.0468
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0363