



EB-2012-0440

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

AND IN THE MATTER OF an application by Hydro One
Brampton Networks Inc. for an order or orders approving
or fixing just and reasonable distribution rates related to
Smart Meter deployment, to be effective May 1, 2013.

BEFORE: Marika Hare
Presiding Member

DECISION AND ORDER
April 25, 2013

Introduction

Hydro One Brampton Networks Inc. ("HOBNI"), a licensed distributor of electricity, filed an application (the "Application") with the Ontario Energy Board (the "Board") on December 17, 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 HOBNI charges for electricity distribution, to be effective May 1, 2013.

HOBNI is seeking Board approval for the disposition and recovery of costs related to smart meter deployment, offset by Smart Meter Funding Adder ("SMFA") revenues collected from January 1, 2010 to December 31, 2011.¹ HOBNI requested approval of proposed Smart Meter Disposition Riders ("SMDRs") and Smart Meter Incremental Revenue Requirement Rate Riders ("SMIRRs") effective May 1, 2013. The Application

¹ HOBNI had smart meter costs for smart meters deployed to December 31, 2009 reviewed and approved in its 2011 cost of service rates application under EB-2009-0132, and initial deployments to May 31, 2007 reviewed in the combined smart meter proceeding EB-2007-0063 and disposed of for recovery in HOBNI's 2008 IRM application EB-2007-0882. The amounts for which HOBNI is seeking approval for recovery pertain to historical and ongoing capital and operating costs related to smart meters deployed from January 1, 2010 to December 31, 2012, and costs in 2013, as well as depreciation expense for smart meters deployed from June 1, 2007 to December 31, 2009. This is detailed in section 2.2 of HOBNI's Application.

is based on the Board's policy and practice with respect to recovery of smart meter costs.²

The Board issued its Letter of Direction and Notice of Application and Hearing (the "Notice") on January 9, 2013. The Vulnerable Energy Consumers' Coalition ("VECC") was granted intervenor status and cost award eligibility. No letters of comment were received. The Notice of Application and Hearing established that the Board would consider the Application by way of a written hearing and established timelines for discovery and submissions.

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:

- Costs incurred with respect to Smart Meter Deployment and Operation;
- Cost Allocation;
- Stranded Meter Costs; and
- Implementation.

Costs Incurred with Respect to Smart Meter Deployment and Operation

In the Application, HOBNI sought the following approvals:

- A SMDR of \$1.39 per Residential customer per month, \$1.39 per General Service less than 50kW ("GS < 50 kW") customer per month and \$22.87 per General Service 50 to 699 kW ("GS 50 to 699 kW") customer per month for the period from May 1, 2013 to December 31, 2013. These rate riders will collect the difference between the revenue requirement deferred from January 1, 2010 to April 30, 2013 related to smart meters deployed as of December 31, 2011 (plus interest on operations, maintenance and administration ("OM&A") and depreciation expenses) and the SMFA revenues collected from January 1, 2010 to December 31, 2011 (and corresponding interest on the principal balance of SMFA revenues); and
- A forecasted SMIRR of \$0.71 per Residential customer per month, \$0.71 per GS < 50 kW customer per month and \$9.55 per GS 50 to 699 kW for the period May

² On December 15, 2011, the Board issued *Guideline G -2011-0001: Smart Meter Funding and Cost Recovery – Final Disposition* ("Guideline G-2011-0001").

1, 2013 to December 31, 2014. These rate riders will collect the incremental revenue requirement related to smart meter costs until HOBNI rebases its rates through a cost of service application, expected to be for rates effective January 1, 2015.

In response to Board staff and VECC interrogatories and submission, HOBNI made the following updates to its Application:

- HOBNI updated the models to account for changes to the OM&A for years 2011, 2012 and 2013 (Board Staff IR #1);
- HOBNI updated the models to establish class specific smart meter rate riders (Board Staff IR's #3, #6 a, #6 b and VECC IR's #1 d #11 a); and
- HOBNI updated the period of time over which the SMDR is recovered from 8 months to 20 months. (HOBNI submission page 3).

In its response to interrogatories and submissions, HOBNI also filed a revised smart meter model and class-specific SMDRs and SMIRRs to reflect the updates noted in the responses to Board staff and VECC's interrogatories and submissions referenced above.

The revised class-specific SMDRs and SMIRRs are summarized below:

Table 1: Original and Revised SMDRs and SMIRRs

Class	SMDR (\$/month, from May 1, 2013 to December 31, 2014)		SMIRR (\$/month, from May 1, 2013 to December 31, 2014)	
	Original	Revised	Original	Revised
Residential	\$1.39	\$0.14	\$0.71	\$0.41
GS <50 kW	\$1.39	\$7.17	\$0.71	\$6.16
GS 50 to 699 kW	\$22.87	\$9.26	\$9.55	\$9.93

HOBNI stated that the increase in the SMDR and SMIRR for the GS < 50 kW is due to the allocation of costs on a class-specific basis, instead of on a per meter basis. The average higher per meter costs for GS classes, reflecting a larger fraction of more sophisticated and more expensive polyphase meters, is driving the change, particularly in the GS < 50 kW class. Due to the significant total bill increase for the average GS <

50 kW customer consuming 2000 kWhs in a month, HOBNI proposed to extend the period over which the SMDR is recovered from 8 months to 20 months.

Prudence of Incurred Costs

HOBNI's costs in aggregate and on a per meter basis are summarized in the following Table 1:

Table 1

	2006-2009	2010	2011	2012	2013	Total	
Capital	\$ 20,156,683	\$ 3,500,850	\$ 3,793,357	-\$ 6,023	\$ -	\$ 27,444,867	
OM&A	343345.37	\$ 350,061	\$ 41,178	\$ 35,832	\$ 157,337	\$ 927,753	
Number of Smart Meters	125192	7554	4330	57	0	137,133	
						Total	Average Per Meter
						Total (capex+opex)	\$ 206.90
						Capex Only	\$ 200.13

Both Board staff and VECC noted that HOBNI's total costs per meter for the entire smart meter program are within the ranges observed for other utilities in the combined proceeding related to smart meters conducted by the Board in 2007 (EB-2007-0063). HOBNI's costs are also below the sector average total cost of \$207.37 reported in the Board's *Sector Smart Meter Audit Review Report*, dated March 31, 2010 and the average total cost of \$226.92 reported by distributors in the Monitoring Report of Smart Meter Investment as at September 30, 2010.

Table 2

	2010	2011	2012	2013	Total	
Capital	\$ 3,500,850	\$ 3,793,357	-\$ 6,023	\$ -	\$ 7,288,184	
OM&A	\$ 350,061	\$ 41,178	\$ 35,832	\$ 157,337	\$ 584,408	
Number of Smart Meters	7554	4330	57	0	11,941	
					Total	Average Per Meter
					Total (capex+opex)	\$ 659.29
					Capex Only	\$ 610.35

Board staff and VECC further noted that HOBNI's cost per meter from years 2010 to 2013 included in this Application work out to an average of \$659.29 (capital and OM&A) or \$610.35 (capital only), see Table 2 above. This is significantly higher than the

average unit cost previously approved of \$186.56 in HOBNI's cost service application EB-2010-0132. Board staff and VECC agree the reason for this is that lower cost, single phase meters were installed predominantly from years 2006 to 2009 for the Residential and GS < 50 kW customer classes. From 2010 to 2012 the small remainder of the lower cost smart meters were installed, with a larger proportion of more expensive poly phase meters installed for both the GS < 50 kW and GS 50 to 699 kw customer classes.

Board staff also observed that the proposed SMIRR is \$0.41/month for Residential customers. The SMIRR is significantly lower than the average, due to the fact that prior approvals of smart meter costs in applications EB-2007-0882 and EB-2010-0132 mean that capital-related and operating costs of previously installed smart meters are already being recovered in distribution rates, and this SMIRR is only to recover the incremental revenue requirement of the remainder of smart meter costs being considered in the Application. Given HOBNI's prior approvals, comparison to SMIRRs approved for other distributors is not relevant. With this understanding, Board staff noted that the SMIRR related to the remaining smart meters at issue in this Application appears reasonable.

Board staff further submitted that HOBNI was authorized to deploy smart meters under O.Reg 427/06 as amended by O.Reg 238/08 in accordance with the London Hydro Request for Proposal ("RFP") process. HOBNI noted that the Board found that the purchasing decisions by HOBNI were implemented with the necessary due diligence and the terms of contracts, including the pricing, were prudent in combined proceeding EB-2007-0063. HOBNI stated, in its Manager' Summary, procurement activities for the period from 2010 to 2012 were a continuation of the same procurement processes previously accepted by the Board in the 2007 combined proceeding.

The Board finds that HOBNI's documented costs, as revised in response to interrogatories and in HOBNI's reply submission, related to smart meter procurement, installation and operation are reasonable. As such, the Board approves the recovery of the costs applied for related to smart meter deployment and operation as of December 31, 2012, and the ongoing recovery of operating expenses for 2013 and going forward until HOBNI's next cost of service application.

Costs Beyond Minimum Functionality

HOBNI included capital costs of \$1,377,579 and \$19,044 in OM&A in its Application,

which are costs “beyond minimum functionality”. Board staff noted that \$1,188,856 of the capital costs are related to the installation of smart meters for the GS 50 to 699 kW customer class. These costs also include outage notification capabilities of smart meters for the residential and GS < 50 kW customer class.

Board staff submitted that the Board has previously approved costs of this nature and further considers that the documented capital and OM&A costs are reasonable. VECC submitted it agrees with Board staff that the Board has allowed these types of expenses in the past for other smart meter applications. VECC also noted HOBNI’s percentage of costs beyond minimum functionality (17%) is higher than what the Board has typically seen in other smart meter applications. However, VECC submitted this can be explained for the most part by the enhanced smart meter technical capabilities (outage notification capabilities) for the residential and GS<50 kW customer classes. VECC took no issue with the nature or quantum of HOBNI’s costs beyond minimum functionality.

The Board approves the recovery of these costs as applied for in the original Application.

Level of Unaudited Costs

HOBNI stated that in 2012 deployment of smart meters was completed. Board staff notes that HOBNI’s Application complies with Guideline G-2011-0001 with regard to the expectation that at least 90% of the smart meter costs be audited. VECC submitted that HOBNI’s percentage of audited costs conforms to the Board’s Guidelines.

The Board accepts HOBNI’s Application as it is consistent with the Board’s policy and practice as documented in G-2011-0001 in this regard.

Cost Allocation

HOBNI has calculated the class-specific smart meter revenue requirement using the following methodology:

- OM&A expenses have been allocated on the basis of the number of meters installed for each class;
- The Return and Amortization have been allocated on the basis of the capital costs of the meters installed for each class;

- PILS have been allocated based on the revenue requirement derived for each class before PILS; and
- Direct allocation by rate class of the SMFA revenue collected from the residential, GS < 50 kW and GS > 50 kW.

Board staff submitted they have no issues with the approach used by HOBNI. VECC submitted HOBNI's methodology provides a proxy for revenue requirement but it does not reflect full cost causality. Given HOBNI's available data by customer class, VECC accepts the methodology used by HOBNI to calculate revised SMDR and SMIRR rate riders by customer class. However, VECC suggested that audited actual costs be incorporated in the final calculation, due to the Application being based on September 30, 2012 unaudited results. In reply, HOBNI disagreed with VECC's proposal, stating that updating the model for audited 2012 actuals was unnecessary and that HOBNI's Application conformed with the Board's Guideline G-2011-0001, in that 99.9% of smart meter costs reviewed in previous applications and for which recovery is sought in this application have been audited.

The Board considers HOBNI's Application to have conformed with Board's Guideline G-2011-0001. As proposed by HOBNI, the Board approves the methodology and the class-specific SMDRs and SMIRRs as calculated to recover the historical and prospective revenue requirement on the approved smart meter costs. The Board finds the approved SMDRs will be in effect for twenty months from May 1, 2013 to December 31, 2014. The SMIRRs are monthly fixed rates based on the annualized revenue requirement and remain in effect until the effective date of the utilities next cost of service rate order, at which point the capital and operating costs are directly incorporated into the rate based and revenue requirement. As HOBNI is scheduled to rebase its rates 2015, the Board notes that the SMIRR is expected to be in effect from May 1, 2013 until December 31, 2014.

Stranded Meter Costs

In its Application, HOBNI proposed not to dispose of stranded meters by way of stranded meter rate riders at this time, but to deal with disposition in its next cost of service application, scheduled for 2015 rates.

HOBNI also noted in its Application that in HOBNI's previous cost of service application for 2011 rates, the Board ordered that HOBNI estimate the cost of stranded meters to December 31, 2011, track the stranded meter costs in "Sub-account Stranded Meter Costs" of Account 1555, and remove the stranded meter costs from rate base. Also, the

Board approved stranded meter rate riders in the 2011 Cost of Service rate application for the recovery of stranded meters and the associated recoveries from these rate riders were recorded in this sub-account to reduce the balance in the sub-account. Given that HOBNI had not completed 100% of its smart meter deployment at the time of the 2011 application, the Board required that the approved 2011 estimate for the stranded meter costs be trued-up to actual stranded meter costs after the installation of all smart meters is completed. The true-up would be made through an adjusting entry based on the final balance of stranded meters (net of recoveries) to be submitted for review in HOBNI's next cost of service application.

HOBNI stated that the estimated net book value of stranded meters as of December 31, 2012 is \$425,177.

Board staff submitted that HOBNI's proposal is also compliant with Guideline G-2011-0001. The Board agrees, and on that basis approves HOBNI's proposal.

Implementation

HOBNI requested an effective date of May 1, 2013 for its new rates. The Board has determined that an effective date of May 1, 2013 is appropriate. The SMIRRs shall be effective and implemented on May 1, 2013. The Board notes that these riders are based on an annual revenue requirement and will be in effect until the effective date of HOBNI's next cost of service rate order.

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.

With this Decision, the Board is providing HOBNI with a draft Tariff of Rates and Charges (Appendix A) that is intended to reflect the elements of this Decision. The Board also reviewed the entries in the draft Tariff of Rates and Charges with the intent to ensure that, other than the rate riders for smart meter cost recovery approved in this Decision, they are in accordance with the 2013 Board approved Tariff of Rates and Charges as approved in HOBNI's separate Incentive Regulation Mechanism application

(EB-2012-0135) issued on December 6, 2012.

Accounting Matters

In granting its approval for the historically incurred costs and the costs projected for 2013, the Board considers HOBNI to have completed its smart meter deployment. Going forward, no capital and operating costs for new smart meters and the operations of smart meters shall be tracked in Accounts 1555 and 1556. Instead, costs shall be recorded in regular capital and operating expense accounts (e.g. Account 1860 for meter capital costs) as is the case with other regular distribution assets and costs.

HOBNI is authorized to continue to use the established sub-account Stranded Meter Costs of Account 1555 to record and track remaining costs of the stranded conventional meters replaced by smart meters. The balance of this sub-account should be brought forward for disposition in HOBNI's next cost of service application.

THE BOARD ORDERS THAT:

1. Hydro One Brampton Networks Inc.'s new distribution rates shall be effective May 1, 2013.
2. Hydro One Brampton Networks Inc. and the Vulnerable Energy Consumers Coalition shall review the draft Tariff of Rates and Charges set out in Appendix A. Hydro One Brampton Networks Inc. and the Vulnerable Energy Consumers Coalition 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 any submissions from Hydro One Brampton Networks Inc. and the Vulnerable Energy Consumers Coalition pursuant to item 2 of this Decision and Order to the effect that inaccuracies were found or information was missing, 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. Hydro One Brampton Networks Inc. 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(s) from Hydro One Brampton Networks Inc. or the Vulnerable Energy Consumers Coalition 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(s) and will issue a final Rate Order and Tariff of Rates and Charges.

Cost Awards

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

1. The Vulnerable Energy Consumers Coalition shall submit its cost claim no later than **7 days** from the date of issuance of the final Rate Order.
2. Hydro One Brampton Networks Inc. shall file with the Board and forward to the Vulnerable Energy Consumers Coalition any objections to the claimed costs within **14 days** from the date of issuance of the final Rate Order.
3. The Vulnerable Energy Consumers Coalition shall file with the Board and forward to Hydro One Brampton Networks Inc. any responses to any objections for cost claims within **21 days** from the date of issuance of the final Rate Order.
4. Hydro One Brampton Networks Inc. 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-2012-0440**, be made through the Board's web portal at, 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 25, 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-2012-0440
DATED: April 25, 2013

Hydro One Brampton Networks Inc.

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-2012-0135
EB-2012-0440

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account where the electricity is supplied exclusively to single-family dwelling units for domestic or household purposes, including seasonal occupancy. This includes, but is not limited to, detached houses, one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex also qualify as residential customers. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

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

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

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	9.96
Green Energy Act Initiatives Funding Adder	\$	0.02
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until December 31, 2014	\$	0.14
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement – effective until the date of the next cost of service-based rate order	\$	0.41
Rate Rider for Smart Meter Entity Charge – Effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0145
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0075
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0055

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

Hydro One Brampton Networks Inc.

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-2012-0135
EB-2012-0440

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Multi-unit residential establishments such as apartment buildings supplied through one service (bulk metered) shall normally be classified as general service.

Where service is provided to combined residential and business, or residential and agricultural, whether seasonal or all-year premises, and the wiring does not provide for separate metering, the service shall normally be classed as general 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	\$	17.98
Green Energy Act Initiatives Funding Adder	\$	0.02
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until December 31, 2014	\$	7.17
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement – effective until the date of the next cost of service-based rate order	\$	6.16
Rate Rider for Smart Meter Entity Charge – Effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0158
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0047

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

Hydro One Brampton Networks Inc.

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-2012-0135
EB-2012-0440

GENERAL SERVICE 50 to 699 kW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 700 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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	\$	109.71
Green Energy Act Initiatives Funding Adder	\$	0.02
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until December 31, 2014	\$	9.26
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement – effective until the date of the next cost of service-based rate order	\$	9.93
Distribution Volumetric Rate	\$/kW	2.4693
Retail Transmission Rate – Network Service Rate	\$/kW	2.5995
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.8271

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

Hydro One Brampton Networks Inc.

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-2012-0135
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GENERAL SERVICE 700 to 4,999 kW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 700 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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	\$	1,179.80
Green Energy Act Initiatives Funding Adder	\$	0.02
Distribution Volumetric Rate	\$/kW	3.3936
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.9153
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.9640

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

Hydro One Brampton Networks Inc.

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-2012-0135
EB-2012-0440

LARGE USE SERVICE CLASSIFICATION

This classification applies to an account whose average monthly maximum demand over 12 consecutive months used for billing purposes is equal to or greater than 5,000 kW, or is forecast to be equal to or greater than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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	\$	4,486.85
Green Energy Act Initiatives Funding Adder	\$	0.02
Distribution Volumetric Rate	\$/kW	2.1734
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	3.2995
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	2.2700

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

Hydro One Brampton Networks Inc.

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-2012-0135
EB-2012-0440

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account 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 connection)	\$	0.95
Distribution Volumetric Rate	\$/kWh	0.0174
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0047

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

Hydro One Brampton Networks Inc.

TARIFF OF RATES AND CHARGES

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STREET LIGHTING SERVICE CLASSIFICATION

All service supplied to roadway lighting equipment owned by or operated by the City of Brampton, Regional Municipality of Peel, or the Ministry of Transportation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per light)	\$	0.83
Distribution Volumetric Rate	\$/kW	8.6298
Retail Transmission Rate – Network Service Rate	\$/kW	2.1645
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5211

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

Hydro One Brampton Networks Inc.

TARIFF OF RATES AND CHARGES

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STANDBY POWER SERVICE CLASSIFICATION

This classification refers to an account that has Load Displacement Generation and requires the distributor to provide back-up 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.

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MONTHLY RATES AND CHARGES – Delivery Component - Approved on an Interim Basis

Distribution Volumetric Rate	\$/kW	1.5358
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Hydro One Brampton Networks Inc.

TARIFF OF RATES AND CHARGES

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EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION

This classification applies to an electricity distributor licensed by the Board, that is provided electricity by means of this distributor's facilities. 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

Distribution Volumetric Rate	\$/kW	0.0625
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microFIT GENERATOR 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.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	5.40
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ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month		
General Service 50 to 699 kW Classification	\$/kW	(0.7048)
General Service 700 to 4,999 kW Classification	\$/kW	(0.8758)
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.

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Customer Administration

Arrears certificate	\$	15.00
Pulling post dated Cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income tax letter	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Special Billing Service (aggregation)	\$	125.00
Special Billing Service (sub-metering charge per meter)	\$	25.00

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 Charge at meter – during regular Hours	\$	65.00
Disconnect/Reconnect Charge at meter – after regular hours	\$	185.00
Disconnect/Reconnect Charge at pole – during regular hours	\$	185.00
Disconnect/Reconnect Charge at pole – after regular hours	\$	415.00
Disconnect/Reconnection for >300 volts - during regular hours	\$	60.00
Disconnect/Reconnection for >300 volts - after regular hours	\$	155.00

Owner Requested Disconnection/Reconnection – during regular hours	\$	120.00
Owner Requested Disconnection/Reconnection –after regular hours	\$	155.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35

Hydro One Brampton Networks Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2013

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RETAIL SERVICE CHARGES (if applicable)

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, 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	1.0349
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0247
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045