



**Ontario Energy Board  
Commission de l'énergie de l'Ontario**

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**DECISION AND RATE ORDER**

**EB-2015-0052**

**ATIKOKAN HYDRO INC.**

**Application for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2016.**

**BEFORE: Allison Duff**  
Presiding Member

**Victoria Christie**  
Member

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**March 17, 2016**

# 1 INTRODUCTION AND SUMMARY

Atikokan Hydro Inc. (Atikokan Hydro) serves about 1,700 mostly residential and commercial electricity customers in the Town of Atikokan. As a licenced and rate-regulated distributor in Ontario, the company must receive the Ontario Energy Board's (OEB) approval for the rates it charges to distribute electricity to its customers.

Atikokan Hydro filed an application with the OEB on September 23, 2015, to seek approval for changes to its distribution rates to be effective May 1, 2016. Electricity distributors' rates are generally established every five years through a cost of service proceeding. Atikokan Hydro last appeared before the OEB with a cost of service application for 2012 in the EB-2011-0293 proceeding.

When not applying to establish its rates through a cost of service application, a distributor may apply to adjust its rates through a Price Cap Incentive Rate-Setting (Price Cap IR) change or an Annual Incentive Rate-Setting Index (Annual IR Index) change. In addition, a distributor may propose to adjust or implement other charges in the same application.

This is the OEB's Decision with respect to Atikokan Hydro's application. The following issues are addressed in this Decision and Rate Order.

- Annual IR Rate-setting
- Regulatory Charges
- Retail Transmission Service Rates
- Review and Disposition of Group 1 Deferral and Variance Accounts
- Residential Rate Design
- Implementation and Order

Atikokan Hydro selected the Annual IR Index option to adjust its distribution rates in 2016. However, as Atikokan Hydro's 2014 regulatory return on equity was greater than 300 basis points above the target amount, Atikokan Hydro withdrew its request for any increase to its base distribution rates. This is consistent with an option outlined in Chapter 3 of the OEB's filing requirements for incentive rate-setting applications. The 2016 adjustments made through this Decision consist largely of pass-through costs from third parties.

Atikokan Hydro also applied to change the composition of its distribution service rates. Currently, residential distribution rates include a fixed monthly charge and a variable usage charge. However, the OEB issued a new policy to change residential rates to a

fully fixed rate structure, transitioning over a four-year period beginning in 2016.<sup>1</sup> Accordingly, the fixed monthly charge for 2016 has been adjusted upward in this Decision and the variable-usage rate is commensurately lower. The amount of revenue the distributor is expected to collect from residential customers will not be affected, only the proportion of revenue collected through variable and fixed charges.

The bill impacts arising from this Decision for Atikokan Hydro result in a monthly increase of \$3.32 for a residential customer consuming 800 kWh.

The OEB approves the adjustments to Atikokan Hydro's application as calculated through this proceeding.

## 2 THE PROCESS

The OEB follows a standard, streamlined process for incentive rate-setting (IR) applications such as the Annual IR Index plan.

Initially, the OEB prepares a rate model that includes information from past proceedings and annual reporting requirements. A distributor then reviews and updates the model to include with its application.

In this case, Atikokan Hydro provided written evidence and a completed rate model to support its application on September 23, 2015. OEB staff and the Vulnerable Energy Consumers Coalition (VECC) also participated in the proceeding. Questions were asked and answers were provided by Atikokan Hydro to clarify and correct the evidence. Finally Atikokan Hydro, OEB staff and the VECC made submissions to the OEB regarding Atikokan Hydro's application and proposals.

## 3 ORGANIZATION OF THE DECISION

The OEB has organized this Decision into sections, reflecting the issues that the OEB has considered in making its findings.<sup>2</sup> Each section covers the OEB's reasons for approving or denying the proposals included in the application and affecting 2016 rates. The last section addresses the steps to implement the final rates that flow from this Decision.

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<sup>1</sup> Board Policy: A New Distribution Rate Design for Residential Electricity Customers, EB-2012-0410, April 2, 2015

<sup>2</sup> See list of issues in the Introduction, p.1

## 4 ANNUAL IR RATE-SETTING

The Annual IR Index base rate adjustment follows an OEB-approved formula that includes components for inflation and the OEB's expectations of efficiency and productivity gains.<sup>3</sup> The components in the formula are also approved by the OEB annually.

During the incentive rate-setting period, the OEB monitors a distributor's earnings as part of the annual reporting and record-keeping filings. Should a distributor's earnings fall outside of a deadband of +/- 300 basis points from the OEB-approved return on equity, a regulatory review may be triggered. In such cases, a distributor whose earnings are in excess of the deadband can refrain from seeking an adjustment to its base rates as part of Annual IR Index application. The distributor may apply for other Annual IR Index elements, such as the disposition of deferral and variance account balances, transition to the new rate design for residential customers and the tax rate sharing mechanism.

The OEB sent a letter<sup>4</sup> to Atikokan Hydro after receiving its application. The letter indicated that Atikokan Hydro's regulatory ROE measured 28.33% in 2014 – 1,921 basis points above the target ROE upon which its rates are established. The letter reminded Atikokan Hydro that OEB staff would assess the appropriateness of granting Atikokan Hydro's request for a base rate adjustment in 2016 given the earnings performance measured in 2014.

Atikokan Hydro replied by letter to the OEB agreeing with the OEB's regulatory review. Atikokan Hydro also noted that it will be over-earning again in 2015. Atikokan Hydro requested it be permitted to forgo the annual adjustment to base rates.

OEB staff and VECC did not object to Atikokan Hydro's revised request to forgo the annual adjustment for 2016 rates.

### Findings

The OEB approves a 0% increase to Atikokan Hydro's base distribution rates. The OEB finds that Atikokan Hydro's request is consistent with the OEB's intentions set out in Chapter 3 of the Filing Requirements.

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<sup>3</sup> Report on Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors (December 4, 2013)

<sup>4</sup> Letter of the OEB, 2014 Return on Equity Performance, EB-2015-0052, December 17, 2015

## 5 REGULATORY CHARGES

There are a number of charges levied to consumers to cover the costs associated with various programs and wholesale market services.

The Rural or Remote Electricity Rate Protection (RRRP) program is designed to provide financial assistance to eligible customers located in rural or remote areas where the costs of providing electricity service to these customers greatly exceeds the costs of providing electricity to customers located elsewhere in the province of Ontario. The RRRP program cost is recovered from all electricity customers in the province through a charge that is reviewed annually and approved by the OEB.

Wholesale market service (WMS) charges recover the cost of the services provided by the Independent Electricity System Operator (IESO) to operate the electricity system and administer the wholesale market. These charges may include costs associated with: operating reserve, system congestion and imports, and losses on the IESO-controlled grid. Individual electricity distributors recover the WMS charges from their customers through the WMS rate.

The Ontario Electricity Support Program (OESP) is a new regulatory charge initiated in 2016. This program delivers on-bill rate assistance to low income electricity customers. All Ontario customers contribute to the OESP through the OESP charge.

These regulatory charges are established annually by the OEB through a separate order.

### Findings

The OEB has determined<sup>5</sup> that the RRRP charge for 2016 shall be \$0.0013 per kWh; the WMS rate shall be \$0.0036 per kWh; and the OESP charge shall be \$0.0011 per kWh. These changes have been in effect since January 1, 2016 for all distributors as a result of the generic order that was part of the OEB's separate decision. The Tariff of Rates and Charges flowing from this Decision and Rate Order has been updated so as to reflect these new regulatory charges, as well as the OESP credits to be provided to enrolled low income customers.

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<sup>5</sup> Decision and Rate Order, EB-2015-0294

## 6 RETAIL TRANSMISSION SERVICE RATES

Electricity distributors use Retail Transmission Service Rates (RTSRs) to pass along the cost of transmission service to their distribution customers. The RTSRs are adjusted annually to reflect the application of the current Uniform Transmission Rates (UTR) to historical transmission deliveries and the revenues generated under existing RTSRs. The UTRs are established annually by a separate OEB order. Distributors may apply to the OEB annually to approve the RTSRs they propose to charge their customers.

### Findings

The OEB has adjusted the UTRs effective January 1, 2016,<sup>6</sup> as shown in the following table:

#### 2016 Uniform Transmission Rates

Network Service Rate	\$3.66 per kW
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.87 per kW
Transformation Connection Service Rate	\$2.02 per kW

The OEB finds that these 2016 UTRs are to be incorporated into the rate model to adjust the RTSRs that Atikokan Hydro will charge its customers accordingly.

## 7 REVIEW AND DISPOSITION OF GROUP 1 DEFERRAL AND VARIANCE ACCOUNT BALANCES

Group 1 Deferral and Variance Accounts track the differences between the costs that a distributor is billed for certain IESO and host distributor costs (including the cost of power) and the revenues that the distributor receives from its customers for these costs through its OEB-approved rates. The total net difference between these costs and revenues is disposed to customers through a temporary charge or credit known as a rate rider.

<sup>6</sup> 2016 Uniform Electricity Transmission Rate Order, EB-2015-0311

The OEB's policy on deferral and variance accounts<sup>7</sup> provides that, during the IR plan term, the distributor's Group 1 account balances will be reviewed and disposed if the pre-set disposition threshold of \$0.001 per kWh, whether in the form of a debit or credit, is exceeded. It is the distributor's responsibility to justify why any account balance in excess of the threshold should not be disposed. If the balances are below this threshold, the distributor may propose to dispose of balances.

Atikokan Hydro's 2014 actual year-end total balance for Group 1 accounts including interest projected to April 30, 2016 is a debit of \$74,549. This amount results in a total debit claim of \$0.0032 per kWh, which exceeds the preset disposition threshold. Atikokan Hydro proposes to dispose of this debit amount over a one-year period.

In its submission, OEB staff noted that the principal amounts as of December 31, 2014 reconcile with the amounts reported as part of the *Reporting and Record-Keeping Requirements* and that Atikokan Hydro's proposal for a one-year disposition period is in accordance with the OEB's report. OEB staff submitted that the amounts should be disposed on a final basis.

## Findings

The OEB approves the disposition of a debit balance of \$74,549 as of December 31, 2014, including interest projected to April 30, 2016 for Group 1 accounts. These balances are to be disposed through rate riders over a one-year period from May 1, 2016 to April 30, 2017.

These balances, with the exception of the Global Adjustment amount in Account 1589, totalling \$17,554 will be collected from all rate classes. The Global Adjustment balance of \$56,994 will be collected only from non-RPP customers who settle the Global Adjustment with their distributor.

The following table identifies the principal and interest amounts which the OEB approves for disposition.

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<sup>7</sup> Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (July 31, 2009)

**Group 1 Deferral and Variance Account Balances**

<b>Account Name</b>	<b>Account Number</b>	<b>Principal Balance (\$) A</b>	<b>Interest Balance (\$) B</b>	<b>Total Claim (\$) C=A+B</b>
Smart Meter Entity Variance Charge	1551	1,129	0	1,129
RSVA - Wholesale Market Service Charge	1580	(3,329)	6,580	3,340
RSVA - Retail Transmission Network Charge	1584	9,640	159	9,799
RSVA - Retail Transmission Connection Charge	1586	19,632	310	19,942
RSVA – Power	1588	(16,946)	291	(16,655)
RSVA - Global Adjustment	1589	57,273	(279)	56,994
<b>Total Group 1 Excluding Global Adjustment - Account 1589</b>		<b>10,216</b>	<b>7,339</b>	<b>17,554</b>
<b>Total Group 1</b>		<b>67,489</b>	<b>7,059</b>	<b>74,549</b>

The balance of each Group 1 account approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595. Such transfer shall be pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*, effective January 1, 2012. The date of the transfer must be the same as the effective date for the associated rates, which is, generally, the start of the rate year. Atikokan Hydro should ensure these adjustments are included in the reporting period ending June 30, 2016 (Quarter 2).



## 8 RESIDENTIAL RATE DESIGN

Currently, all residential distribution rates include a fixed monthly charge and a variable usage charge. The OEB's April 2, 2015 policy on electricity distribution rate design sets out that distribution rates for residential customers will transition to a fully fixed rate structure from the current combination of fixed and variable charges over four years. Starting in 2016, the fixed rate will increase gradually, and the usage rate will decline.

The 2016 rate model has been revised to include the first year of the gradual transition to fully fixed rates and its impact to the monthly fixed charge that residential customers will pay. The OEB is requiring distributors to calculate and report on the rate impacts of the change so that strategies may be employed to smooth the transition for the customers most impacted, such as those that consume less electricity, if mitigation is required. In support of this, the OEB requires distributors to calculate the impact of this change to residential customers in general; it also requires applicants to calculate the combined impact of the fixed rate increase and any other changes in the cost of distribution service for those customers who are at the 10<sup>th</sup> percentile of overall consumption. Any increase of 10% or greater to these low-consumption customers' bills arising from changes made in this Decision, or an increase to the monthly fixed charge of greater than \$4 prior to incentive rate-setting adjustments, may result in the requirement for a longer transition period than four years specified in the OEB policy. Distributors may also propose other strategies to smooth out these increases as appropriate.

Adjustments to Atikokan Hydro's rate model to implement the change in fixed rates result in an increase to the fixed charge prior to IRM adjustments of \$1.97.

### Findings

The OEB approves the proposed transition to fixed rates for residential customers over a four-year period. The OEB finds that the increases to the monthly fixed charge and to low consumption consumers are consistent with OEB policy and approves the changes to fixed and variable rates as calculated in the final rate model.

## 9 IMPLEMENTATION AND ORDER

With this Decision and Rate Order, the OEB is providing Atikokan Hydro with a rate model, applicable supporting models and a Tariff of Rates and Charges (Schedule A). The OEB also reviewed the entries in the model to ensure that they were in accordance with Atikokan Hydro's EB-2011-0293 cost of service decision, the 2015 OEB-approved

Tariff of Rates and Charges as well as the cost, revenue and consumption results from 2014 as reported by Atikokan Hydro to the OEB. The rate model was adjusted, where applicable, to correct any discrepancies.

### THE ONTARIO ENERGY BOARD ORDERS THAT:

1. Atikokan Hydro's new distribution rates shall be effective May 1, 2016.
2. The Tariff of Rates and Charges set out in Schedule A shall be deemed *draft* until the parties have complied with the subsequent procedural steps.
3. Atikokan Hydro shall review the Tariff of Rates and Charges set out in Schedule A and shall file with the OEB, as applicable, a written confirmation of its completeness and accuracy, or provide a detailed explanation of any inaccuracies or missing information, within **7 days** of the date of issuance of this Decision and Rate Order.
4. If the OEB does not receive a submission from Atikokan Hydro to the effect that inaccuracies were found or information was missing pursuant to item 3, the Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order will be considered final. Atikokan Hydro shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.
5. If the OEB receives a submission from Atikokan Hydro to the effect that inaccuracies were found or information was missing pursuant to item 3, the OEB will consider the submission of Atikokan Hydro prior to issuing a revised Tariff of Rates and Charges which will be considered final.

### COST AWARDS

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

1. VECC shall submit its cost claims no later than **7 days** from the date of issuance of this Decision and Rate Order.
2. Atikokan Hydro shall file with the OEB and forward to the VECC any objections to the claimed costs within **17 days** from the date of issuance of this Decision and Rate Order.

3. VECC shall file with the OEB and forward to Atikokan Hydro any responses to any objections for cost claims within **24 days** from the date of issuance of this Decision and Rate Order.
4. Atikokan Hydro shall pay the OEB's costs incidental to this proceeding upon receipt of the OEB's invoice.

All filings to the OEB must quote the file number, EB-2015-0052 and be made electronically through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/> in searchable / unrestricted PDF format. Two paper copies must also be filed at the OEB's address provided below. 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 <http://www.ontarioenergyboard.ca/OEB/Industry>. If the web portal is not available parties may email their documents to the address below. 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 7 paper copies.

All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

### **ADDRESS**

Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27th Floor  
Toronto ON M4P 1E4  
Attention: Board Secretary  
E-mail: [boardsec@ontarioenergyboard.ca](mailto:boardsec@ontarioenergyboard.ca)  
Tel: 1-888-632-6273 (Toll free)  
Fax: 416-440-7656

**DATED** at Toronto, March 17, 2016

### **ONTARIO ENERGY BOARD**

Original signed by

Kirsten Walli  
Board Secretary

**Schedule A**

**To Decision and Rate Order**

**Tariff of Rates and Charges**

**OEB File No: EB-2015-0052**

**DATED: March 17, 2016**

**Atikokan Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2016**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2015-0052

## RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	36.95
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	\$	1.06
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0104
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kWh	0.0008
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for Non-RPP Customers	\$/kWh	0.0066
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0046
Retail Transmission Rate - Transformation Connection Service Rate	\$/kWh	0.0035

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Atikokan Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2016**  
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EB-2015-0052

## ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

In addition to the charges specified on page 1 of this tariff of rates and charges, the following credits are to be applied to eligible residential customers.

### APPLICATION

The application of the charges are in accordance with the Distribution System Code (Section 9) and subsection 79.2(4) of the Ontario Energy Board Act, 1998.

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

In this class:

“Aboriginal person” includes a person who is a First Nations person, a Métis person or an Inuit person;

“account-holder” means a consumer who has an account with a distributor that falls within a residential-rate classification as specified in a rate order made by the Ontario Energy Board under section 78 of the Act, and who lives at the service address to which the account relates for at least six months in a year;

“electricity-intensive medical device” means an oxygen concentrator, a mechanical ventilator, or such other device as may be specified by the Ontario Energy Board;

“household” means the account-holder and any other people living at the accountholder’s service address for at least six months in a year, including people other than the account-holder’s spouse, children or other relatives;

“household income” means the combined annual after-tax income of all members of a household aged 16 or over;

### MONTHLY RATES AND CHARGES

#### Class A

- (a) account-holders with a household income of \$28,000 or less living in a household of one or two persons;
- (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of three persons;
- (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of five persons; and
- (d) account-holders with a household income of between \$48,001 and \$52,000 living in a household of seven or more persons; but does not include account-holders in Class E.

OESP Credit	\$	(30.00)
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#### Class B

- (a) account-holders with a household income of \$28,000 or less living in a household of three persons;
- (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of four persons;
- (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of six persons; but does not include account-holders in Class F.

OESP Credit	\$	(34.00)
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#### Class C

- (a) account-holders with a household income of \$28,000 or less living in a household of four persons;
- (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of five persons;
- (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of seven or more persons; but does not include account-holders in Class G.

OESP Credit	\$	(38.00)
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#### Class D

- (a) account-holders with a household income of \$28,000 or less living in a household of five persons; and
- (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of six persons; but does not include account-holders in Class H.

OESP Credit	\$	(42.00)
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**Atikokan Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2016**  
**This schedule supersedes and replaces all previously**  
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EB-2015-0052

## ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

**Class E**

Class E comprises account-holders with a household income and household size described under Class A who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;
- (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or
- (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (45.00)

**Class F**

(a) account-holders with a household income of \$28,000 or less living in a household of six or more persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of seven or more persons; or

(c) account-holders with a household income and household size described under Class B who also meet any of the following conditions:

- i. the dwelling to which the account relates is heated primarily by electricity;
- ii. the account-holder or any member of the account-holder's household is an Aboriginal person; or
- iii. the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates

OESP Credit \$ (50.00)

**Class G**

Class G comprises account-holders with a household income and household size described under Class C who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;
- (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or
- (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (55.00)

**Class H**

Class H comprises account-holders with a household income and household size described under Class D who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;
- (b) the account-holder or any member of the account-holder's household is an Aboriginal person ; or
- (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (60.00)

**Class I**

Class I comprises account-holders with a household income and household size described under paragraphs (a) or (b) of Class F who also meet any of the following conditions:

- (a) the dwelling to which the account relates is heated primarily by electricity;
- (b) the account-holder or any member of the account-holder's household is an Aboriginal person; or
- (c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (75.00)

**Atikokan Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2016**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2015-0052

## GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non-residential 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. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	76.23
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	\$	1.39
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0096
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kWh	0.0007
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for Non-RPP Customers	\$/kWh	0.0066
Rate Rider for Disposition of Global Adjustment Account (2015) - Approved on an Interim Basis - effective until April 30, 2018 Applicable only for Non-RPP Customers	\$/kWh	0.0130
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0041
Retail Transmission Rate - Transformation Connection Service Rate	\$/kWh	0.0030

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25



**Atikokan Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2016**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2015-0052

## GENERAL SERVICE 50 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, 50kW but less than 5,000kW. 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	563.69
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	\$	3.71
Distribution Volumetric Rate	\$/kW	2.2329
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kW	0.2239
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for Non-RPP Customers	\$/kW	2.0948
Rate Rider for Disposition of Global Adjustment Account (2015) - Approved on an Interim Basis - effective until April 30, 2018 Applicable only for Non-RPP Customers	\$/kW	4.8718
Retail Transmission Rate - Network Service Rate	\$/kW	1.6599
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.1975
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	1.7610
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.3235

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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## **STREET LIGHTING SERVICE CLASSIFICATION**

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, 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 Ontario Energy Board street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

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

### **MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge (per connection)	\$	12.22
Distribution Volumetric Rate	\$/kW	15.0615
Rate Rider for Disposition of Deferral/Variance Accounts (2016) - effective until April 30, 2017	\$/kWh	0.0007
Rate Rider for Disposition of Global Adjustment Account (2016) - effective until April 30, 2017 Applicable only for Non-RPP Customers	\$/kWh	0.0066
Rate Rider for Disposition of Global Adjustment Account (2015) - Approved on an Interim Basis - effective until April 30, 2018 Applicable only for Non-RPP Customers	\$/kW	4.5905
Retail Transmission Rate - Network Service Rate	\$/kW	1.2519
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.9256

### **MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

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**microFIT SERVICE CLASSIFICATION**

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator'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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

**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	\$/kW	(0.29)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)

**SPECIFIC SERVICE CHARGES**

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

**Customer Administration**

Returned cheque (plus bank charges)	\$	25.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	25.00
Special meter reads	\$	25.00

**Non-Payment of Account**

Late payment - per month	%	1.50
Late payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	25.00
Disconnect/reconnect at meter - during regular hours	\$	28.00
Disconnect/reconnect at meter - after regular hours	\$	315.00
Disconnect/reconnect at pole - during regular hours	\$	28.00
Disconnect/reconnect at pole - after regular hours	\$	315.00

**Other**

Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	22.35
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EB-2015-0052

## 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board, and amendments thereto as approved by the Ontario Energy 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 Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment 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	1.0778
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0671

**Schedule B**

**To Decision and Rate Order**

**List of Rates and Charges Not Affected by the Price Cap or Annual IR Index**

**OEB File No: EB-2015-0052**

**DATED: March 17, 2016**

The following rates and charges are not affected by the Price Cap or Annual IR Index:

- Rate riders
- Rate adders
- Low voltage service charges
- Retail transmission service rates
- Wholesale market service rate
- Rural or remote electricity rate protection charge
- Standard supply service – administrative charge
- Transformation and primary metering allowances
- Loss factors
- Specific service charges
- microFIT charge
- Retail service charges