

# **DECISION AND RATE ORDER**

# EB-2024-0051

# PUC DISTRIBUTION INC.

Application for rates and other charges to be effective May 1, 2025

**BY DELEGATION, BEFORE:** 

**Theodore Antonopoulos** Vice President Major Applications

Month XX, 2025

# 1. OVERVIEW

The Ontario Energy Board (OEB) is approving changes to the rates that PUC Distribution Inc. (PUC Distribution) charges to distribute electricity to its customers, effective May 1, 2025.

As a result of this Decision and Rate Order, there will be a monthly total bill decrease of \$0.45 for a residential customer with a monthly consumption of 750 kWh. This change does not factor in applicable taxes or the Ontario Electricity Rebate.

# 2. CONTEXT AND PROCESS

PUC Distribution filed its application on October 7, 2024 under section 78 of the Ontario Energy Board Act, 1998 and in accordance with <u>Chapter 3 (Incentive Rate-Setting</u> <u>Applications)</u> of the OEB's *Filing Requirements for Electricity Distribution Rate Applications* (Filing Requirements). The application was based on the Price Cap Incentive Rate-setting (Price Cap IR) option, with a five-year term.

The Price Cap IR option is one of three incentive rate-setting mechanisms (IRM) used by the OEB.<sup>1</sup> It involves the setting of rates through a cost of service application in the first year and mechanistic price cap adjustments which may be approved through IRM applications in each of the ensuing adjustment years.

The OEB follows a standardized and streamlined process for processing IRM applications filed under Price Cap IR. In each adjustment year of a Price Cap IR term, the OEB prepares a Rate Generator Model that includes, as a placeholder, information from the distributor's past proceedings and annual reporting requirements. A distributor then reviews, completes, and includes the model with its application, and may update the model during the proceeding to make any necessary corrections or to incorporate new rate-setting parameters as they become available.

PUC Distribution serves approximately 35,000 mostly residential and commercial electricity customers in the City of Sault Ste. Marie, Batchewana First Nation (Rankin Reserve), Prince Township, and parts of Dennis Township.

The application was supported by pre-filed written evidence and a completed Rate Generator Model and, as required during the proceeding, PUC Distribution updated and clarified the evidence.

<sup>&</sup>lt;sup>1</sup> Each of these options is explained in the OEB's <u>Handbook for Utility Rate Applications</u>.

# 3. DECISION OUTLINE

Each of the following issues is addressed in this Decision and Rate Order, together with the OEB's findings.

- Annual Adjustment Mechanism
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Lost Revenue Adjustment Mechanism Variance Account

Instructions for implementing PUC Distribution's new rates and charges are set out in the final section of this Decision and Rate Order.

This Decision and Rate Order does not address rates and charges approved by the OEB in prior proceedings, such as specific service charges<sup>2</sup> and loss factors, which are out of the scope of an IRM proceeding and for which no further approvals are required to continue to include them on the distributor's Tariff of Rates and Charges.

<sup>&</sup>lt;sup>2</sup> Certain service charges are subject to annual inflationary adjustments to be determined by the OEB through a generic order. For example, the OEB's Decision and Order in EB-2024-0226, September 26, 2024, established the adjustment for energy retailer service charges, effective January 1, 2025; and the OEB's Decision and Order in EB-2024-0227, issued September 26, 2024, established the 2025 Wireline Pole Attachment Charge, effective January 1, 2025.

# 4. ANNUAL ADJUSTMENT MECHANISM

PUC Distribution has applied to change its rates, effective May 1, 2025. The proposed rate change is based on a mechanistic rate adjustment using the OEB-approved **inflation minus X-factor** formula applicable to IRM applications. The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.<sup>3</sup>

The components of the Price Cap adjustment formula applicable to PUC Distribution are set out in the table below. Inserting these components into the formula results in a 3.30% increase to PUC Distribution's rates: 3.30% = 3.60% - (0.00% + 0.30%).

|                               | Components                                   | Amount |
|-------------------------------|--|--------|
| Inflation factor <sup>4</sup> |  | 3.60%  |
| Less: X-factor                | Productivity factor <sup>5</sup>             | 0.00%  |
|                               | Stretch factor (0.00% to 0.60%) <sup>6</sup> | 0.30%  |

### Table 4.1: Price Cap IR Adjustment Formula

An inflation factor of 3.60% applies to all IRM applications for the 2025 rate year. The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that varies among different groupings of distributors. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors with a tangible incentive to improve efficiency or else experience declining net income. The productivity component of the X-factor is based on industry conditions over a historical study period and applies to all IRM applications for the 2025 rate year. The stretch factor component of the X-factor is one of five stretch factor groupings established by the OEB, ranging from 0.00% to 0.60%. The stretch factor assigned to any distributors in Ontario. The stretch factor assigned to PUC Distribution is 0.30%, resulting in a rate adjustment of 3.30%.

<sup>&</sup>lt;sup>3</sup> The adjustment does not apply to the following components of delivery rates: rate riders, rate adders, low voltage service charges, retail transmission service rates, wholesale market service rate, smart metering entity charge, rural or remote electricity rate protection charge, standard supply service – administrative charge, transformation and primary metering allowances, loss factors, specific service charges (other than the Wireline Pole Attachment charge), and microFIT charge.

<sup>&</sup>lt;sup>4</sup> OEB Letter, 2025 Inflation Parameters, issued June 20, 2024

<sup>&</sup>lt;sup>5</sup> Report of the Ontario Energy Board – "Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario's Electricity Distributors" EB-2010-0379, December 4, 2013

<sup>&</sup>lt;sup>6</sup> Report to the Ontario Energy Board – "Empirical Research in Support of Incentive Rate-Setting: 2023 Benchmarking Update", prepared by Pacific Economics Group LLC., August 6, 2024

#### Findings

PUC Distribution's request for a 3.30% rate increase is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and PUC Distribution's new rates shall be effective May 1, 2025.

# 5. RETAIL TRANSMISSION SERVICE RATES (RTSRs)

In Ontario, some distributors are connected directly to a licensed transmitter, while others may be embedded, or partially-embedded, within the distribution system of another licensed distributor. PUC Distribution is transmission connected.

To recover its cost of transmission services, PUC Distribution requests approval to adjust the Retail Transmission Service Rates (RTSRs) that it charges its customers in accordance with the Uniform Transmission Rates (UTRs) currently in effect.

#### Findings

PUC Distribution's proposed adjustment to its RTSRs is approved.

The RTSRs have been adjusted based on the current OEB-approved UTRs.

UTRs<sup>7</sup> are typically approved annually by the OEB. In the event that the OEB updates the approved UTRs during PUC Distribution's 2025 rate year, any resulting differences (from the prior-approved UTRs) will be captured in Retail Settlement Variance Accounts 1584 (Retail Transmission Network Charge) and 1586 (Retail Transmission Connection Charge).

<sup>&</sup>lt;sup>7</sup> EB-2024-0244, Decision and Rate Order, January 21, 2025

# 6. GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of an IRM term, the OEB will review a distributor's Group 1 deferral and variance accounts (DVAs) to determine whether those balances should be disposed of. OEB policy states that Group 1 account balances should be disposed of if they exceed, on a net basis (as a debit or credit), a pre-set disposition threshold of \$0.001 per kWh, unless a distributor can justify why balances should not be disposed of.<sup>8</sup> If the net balance does not exceed the threshold, a distributor may still request disposition.<sup>9</sup>

The 2023 year-end net balance for PUC Distribution's Group 1 accounts eligible for disposition, including interest projected to April 30, 2025, is a debit of \$147,670, and pertains to variances accumulated during the 2023 calendar year. This amount represents a total claim of \$0.0002 per kWh, which does not exceed the disposition threshold.

PUC Distribution has not requested disposition of its Group 1 DVA balances.

#### Findings

The Group 1 account balances appear reasonable, and the threshold calculation is correct. The OEB finds that no disposition is required at this time, as the disposition threshold has not been exceeded, and the distributor did not request disposition.

<sup>&</sup>lt;sup>8</sup> Report of the OEB – "Electricity Distributors' Deferral and Variance Account Review Initiative" (EDDVAR), EB-2008-0046, July 31, 2009

<sup>&</sup>lt;sup>9</sup> OEB letter, "Update to the Electricity Distributors' Deferral and Variance Account Review ("EDDVAR Report"), released July 2009 (EB-2008-0046)", issued July 25, 2014

# 7. LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT

The OEB has historically used a Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) to capture implications for a distributor's revenues which arise from differences between actual and forecast Conservation and Demand Management (CDM) savings included in its last OEB-approved load forecast. The use of the LRAMVA is no longer the default approach for CDM activities. The OEB has issued guidelines to electricity distributors related to non-wires solutions.<sup>10</sup> In accordance with these guidelines, a distributor may request the use of an LRAMVA for distribution-rate funded non-wires solutions, and this may include traditional CDM activities or Local Initiatives Program activities, with need to be determined on a case-by-case basis.

Distributors delivered CDM programs to their customers through the Conservation First Framework (CFF) that began on January 1, 2015 until March 20, 2019, when the CFF was revoked.<sup>11</sup>

Distributors that do not have a confirmed zero balance in the LRAMVA are required to seek disposition as part of their IRM application, with supporting information, or provide a rationale for not doing so.<sup>12</sup>

PUC Distribution originally requested approval to collect an LRAMVA balance of \$33,463, inclusive of carrying charges. This corresponded to the residual balance that remained after the expiry of the LRAMVA rate rider that was approved by the OEB as part of PUC Distribution's last cost of service application.<sup>13</sup> In subsequent correspondence, PUC Distribution acknowledged that this residual balance should have been recorded in the 2023 vintage of Account 1595 and recovered at a later date. As such, PUC Distribution re-coded the \$33,463 balance to the 2023 vintage of Account 1595 and withdrew its request to dispose of an LRAMVA balance.<sup>14</sup>

### Findings

The OEB finds that no disposition is required at this time, as PUC Distribution withdrew its request to collect an LRAMVA balance of \$33,463.

<sup>&</sup>lt;sup>10</sup> Non-Wires Solutions Guidelines for Electricity Distributors, March 28, 2024

<sup>&</sup>lt;sup>11</sup> On March 20, 2019 the Minister of Energy, Northern Development and Mines issued separate Directives to the OEB and the IESO.

<sup>&</sup>lt;sup>12</sup> Chapter 3 Filing Requirements, section 3.2.7.1

<sup>&</sup>lt;sup>13</sup> EB-2022-0059, Decision and Rate Order, April 6, 2023

<sup>&</sup>lt;sup>14</sup> EB-2024-0051, Application and Evidence, February 21, 2025

# 8. IMPLEMENTATION

This Decision and Rate Order is accompanied by a Rate Generator Model, applicable supporting models, and a Tariff of Rates and Charges (Schedule A). The Rate Generator Model also incorporates the following regulatory rates and charges set out in Table 8.1.

| Rates  | per kWh (\$) |
|--|--------------|
| Rural or Remote Electricity Rate Protection (RRRP)               | 0.0015       |
| Wholesale Market Service (WMS) billed to Class A and B Customers | 0.0041       |
| Capacity Based Recovery (CBR) billed to Class B Customers        | 0.0004       |
| Charges  | (\$)         |
| Smart Metering Entity Charge                                     | 0.42         |
| microFIT Charge  | 5.00         |
| Standard Supply Service - Administrative Charge (if applicable)  | 0.25         |

Each of the rates is a component of the "Regulatory Charge" on a customer's bill, established annually by the OEB through a separate, generic order. The RRRP and WMS rates were set by the OEB on December 10, 2024.<sup>15</sup>

The Smart Metering Entity Charge is a component of the "Distribution Charge" on a customer's bill, established by the OEB through a separate order. The Smart Metering Entity Charge was set by the OEB on September 8, 2022.<sup>16</sup>

In the *Report of the Board: Review of Electricity Distribution Cost Allocation Policy*,<sup>17</sup> the OEB indicated that it will review the default province-wide microFIT charge annually to ensure it continues to reflect actual costs in accordance with the established methodology. On November 19, 2024, the OEB issued a letter advising electricity

<sup>&</sup>lt;sup>15</sup> EB-2024-0282, Decision and Order, December 10, 2024

<sup>&</sup>lt;sup>16</sup> EB-2022-0137, Decision and Order, September 8, 2022

<sup>&</sup>lt;sup>17</sup> EB-2010-0219, Report of the Board "Review of Electricity Distribution Cost Allocation Policy", March 31, 2011

distributors that the microFIT charge shall be \$5.00 for the 2025 rate year. For PUC Distribution this will apply May 1, 2025 to April 30, 2026.<sup>18</sup>

<sup>&</sup>lt;sup>18</sup> OEB Letter, "Review of Fixed Monthly Charge for microFIT Generator Service Classification", issued November 19, 2024

# 9. ORDER

### THE ONTARIO ENERGY BOARD ORDERS THAT

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective May 1, 2025 for electricity consumed or estimated to have been consumed on and after such date. PUC Distribution Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

DATED at Toronto, Month, Date, Year

### ONTARIO ENERGY BOARD

Nancy Marconi Registrar

### SCHEDULE A

### **DECISION AND RATE ORDER**

### PUC DISTRIBUTION INC.

### TARIFF OF RATES AND CHARGES

EB-2024-0051

**MONTH XX, 2025** 

Effective and Implementation Date May 1, 2025

This schedule supersedes and replaces all previously

approved schedules of Rates, Charges and Loss Factors

EB-2024-0051

### **RESIDENTIAL SERVICE CLASSIFICATION**

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a single family unit, non-commercial. This can be a separately metered living accommodation, town house, apartment, semidetached, duplex, triplex or quadruplex with residential zoning. Class B consumers are defined on accordance with O. Reg. 429/04. 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 Global Adjustment and the HST.

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

| Service Charge   | \$     | 41.40    |
|--|--------|----------|
| Rate Rider for Recovery of SSG Project (2025) - effective until April 30, 2026   | \$     | 3.46     |
| Smart Metering Entity Charge - effective until December 31, 2027   | \$     | 0.42     |
| Retail Transmission Rate - Network Service Rate  | \$/kWh | 0.0103   |
| Rate Rider for Embedded Generation Adjustment - in effect until the effective date of<br>the next cost of service based rate order | \$/kWh | (0.0004) |

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

| Wholesale Market Service Rate (WMS) - not including CBR          | \$/kWh | 0.0041 |
|--|--------|--------|
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP)        | \$/kWh | 0.0015 |
| Standard Supply Service - Administrative Charge (if applicable)  | \$     | 0.25   |

Effective and Implementation Date May 1, 2025

This schedule supersedes and replaces all previously

approved schedules of Rates, Charges and Loss Factors

EB-2024-0051

### 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 peak demand is less than, or is forecast to be less than, 50 kW. Class B consumers are defined on accordance with O. Reg. 429/04. 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 Global Adjustment and the HST.

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

| Service Charge   | \$     | 24.09    |
|--|--------|----------|
| Rate Rider for Recovery of SSG Project (2025) - effective until April 30, 2026                                 | \$     | 2.01     |
| Smart Metering Entity Charge - effective until December 31, 2027   | \$     | 0.42     |
| Distribution Volumetric Rate   | \$/kWh | 0.0344   |
| Rate Rider for Recovery of SSG Project (2025) - effective until April 30, 2026                                 | \$/kWh | 0.0029   |
| Rate Rider for Embedded Generation Adjustment - in effect until the effective date of the next cost of service |        |          |
| based rate order   | \$/kWh | (0.0004) |
| Retail Transmission Rate - Network Service Rate  | \$/kWh | 0.0097   |

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

| Wholesale Market Service Rate (WMS) - not including CBR          | \$/kWh | 0.0041 |
|--|--------|--------|
| Capacity Based Recovery (CBR) - Applicable for Class B Customers | \$/kWh | 0.0004 |
| Rural or Remote Electricity Rate Protection Charge (RRRP)        | \$/kWh | 0.0015 |
| Standard Supply Service - Administrative Charge (if applicable)  | \$     | 0.25   |

Effective and Implementation Date May 1, 2025

This schedule supersedes and replaces all previously

approved schedules of Rates, Charges and Loss Factors

EB-2024-0051

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

This classification applies to a non residential account whose average monthly peak demand used for billing purposes over the past 12 months is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Class A and Class B consumers are defined on accordance with O. Reg. 429/04. 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.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of WMS - Sub-account CBR Class B is not applicable to wholesale market participants (WMP), customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new Class B customers.

If included in the following listing of monthly rates and charges, the rate rider for the disposition of Global Adjustment is only applicable to non-RPP Class B customers. It is not applicable to WMP, customers that transitioned between Class A and Class B during the variance account accumulation period, or to customers that were in Class A for the entire period. Customers who transitioned are to be charged or refunded their share of the variance disposed through customer specific billing adjustments. This rate rider is to be consistently applied for the entire period to the sunset date of the rate rider. In addition, this rate rider is applicable to all new non-RPP Class B customers.

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 Global Adjustment and the HST.

EB-2024-0051

# **PUC Distribution Inc.** TARIFF OF RATES AND CHARGES

#### Effective and Implementation Date May 1, 2025

This schedule supersedes and replaces all previously

approved schedules of Rates, Charges and Loss Factors

| Service Charge   | \$      | 133.07    |
|--|---------|-----------|
| Rate Rider for Recovery of SSG Project (2025) - effective until April 30, 2026                                 | \$      | 11.11     |
| Distribution Volumetric Rate   | \$/kW   | 9.0207    |
| Rate Rider for Recovery of SSG Project (2025) - effective until April 30, 2026                                 | \$/kW   | 0.7424    |
| Rate Rider for Embedded Generation Adjustment - in effect until the effective date of the next cost of service | Ф//JA/Ь | (0,000,4) |
| based rate order<br>Retail Transmission Rate - Network Service Rate  | \$/kWh  | (0.0004)  |
| Retail Transmission Rate - Network Service Rate - Interval Metered   | \$/kW   | 3.8685    |
| Retail Transmission Rate - Network Service Rate - Interval Metered   | \$/kW   | 4.8653    |
| MONTHLY RATES AND CHARGES - Regulatory Component   |         |           |
| Wholesale Market Service Rate (WMS) - not including CBR  | \$/kWh  | 0.0041    |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers   | \$/kWh  | 0.0004    |
| Rural or Remote Electricity Rate Protection Charge (RRRP)  | \$/kWh  | 0.0015    |
| Standard Supply Service - Administrative Charge (if applicable)  | \$      | 0.25      |
|  |         |           |

Effective and Implementation Date May 1, 2025

This schedule supersedes and replaces all previously

approved schedules of Rates, Charges and Loss Factors

EB-2024-0051

### UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly peak 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 customer will provide detailed manufacturer information documentation with regard to electrical demand/consumption of the proposed unmetered load. Class B consumers are defined on accordance with O. Reg. 429/04. 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 Global Adjustment and the HST.

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

| Service Charge   | \$     | 14.76    |
|--|--------|----------|
| Rate Rider for Recovery of SSG Project (2025) - effective until April 30, 2026                                 | \$     | 1.23     |
| Distribution Volumetric Rate   | \$/kWh | 0.0513   |
| Rate Rider for Recovery of SSG Project (2025) - effective until April 30, 2026                                 | \$/kWh | 0.0043   |
| Rate Rider for Embedded Generation Adjustment - in effect until the effective date of the next cost of service | •      |          |
| based rate order   | \$/kWh | (0.0004) |
| Retail Transmission Rate - Network Service Rate  | \$/kWh | 0.0097   |
| MONTHLY RATES AND CHARGES - Regulatory Component   |        |          |
|  |        |          |
| Wholesale Market Service Rate (WMS) - not including CBR  | \$/kWh | 0.0041   |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers   | \$/kWh | 0.0004   |
| Rural or Remote Electricity Rate Protection Charge (RRRP)  | \$/kWh | 0.0015   |
| Standard Supply Service - Administrative Charge (if applicable)  | \$     | 0.25     |

0.25

\$

Effective and Implementation Date May 1, 2025

This schedule supersedes and replaces all previously

approved schedules of Rates, Charges and Loss Factors

EB-2024-0051

### SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification applies to safety/security lighting with a Residential or General Service customer. This is typically exterior lighting, and unmetered. Consumption is estimated based on the equipment rating and estimated hours of use. Class B consumers are defined on accordance with O. Reg. 429/04. 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 Global Adjustment and the HST.

| Service Charge (per connection)  | \$     | 4.70     |
|--|--------|----------|
| Rate Rider for Recovery of SSG Project (2025) - effective until April 30, 2026                                 | \$     | 0.39     |
| Distribution Volumetric Rate   | \$/kW  | 43.8388  |
| Rate Rider for Recovery of SSG Project (2025) - effective until April 30, 2026                                 | \$/kW  | 3.6592   |
| Rate Rider for Embedded Generation Adjustment - in effect until the effective date of the next cost of service |        |          |
| based rate order   | \$/kWh | (0.0004) |
| Retail Transmission Rate - Network Service Rate  | \$/kW  | 2.9324   |
| MONTHLY RATES AND CHARGES - Regulatory Component   |        |          |
| Wholesale Market Service Rate (WMS) - not including CBR  | \$/kWh | 0.0041   |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers   | \$/kWh | 0.0004   |
| Rural or Remote Electricity Rate Protection Charge (RRRP)  | \$/kWh | 0.0015   |
| Standard Supply Service - Administrative Charge (if applicable)  | \$     | 0.25     |

Effective and Implementation Date May 1, 2025

This schedule supersedes and replaces all previously

approved schedules of Rates, Charges and Loss Factors

EB-2024-0051

### 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 operation, 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. Class B consumers are defined on accordance with O. Reg. 429/04. 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 Global Adjustment and the HST.

| Service Charge (per connection)  | \$     | 1.81     |
|--|--------|----------|
| Rate Rider for Recovery of SSG Project (2025) - effective until April 30, 2026                                 | \$     | 0.15     |
| Distribution Volumetric Rate   | \$/kW  | 11.8072  |
| Rate Rider for Recovery of SSG Project (2025) - effective until April 30, 2026                                 | \$/kW  | 0.9855   |
| Rate Rider for Embedded Generation Adjustment - in effect until the effective date of the next cost of service |        |          |
| based rate order   | \$/kWh | (0.0004) |
| Retail Transmission Rate - Network Service Rate  | \$/kW  | 2.9179   |
| MONTHLY RATES AND CHARGES - Regulatory Component   |        |          |
| Wholesale Market Service Rate (WMS) - not including CBR  | \$/kWh | 0.0041   |
| Capacity Based Recovery (CBR) - Applicable for Class B Customers   | \$/kWh | 0.0004   |
| Rural or Remote Electricity Rate Protection Charge (RRRP)  | \$/kWh | 0.0015   |
| Standard Supply Service - Administrative Charge (if applicable)  | \$     | 0.25     |

Effective and Implementation Date May 1, 2025

This schedule supersedes and replaces all previously

approved schedules of Rates, Charges and Loss Factors

EB-2024-0051

### 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.

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 Global Adjustment and the HST.

| Service Charge  | \$    | 5.00   |
|---|-------|--------|
| ALLOWANCES  |       |        |
| Transformer Allowance for Ownership - per kW of billing demand/month                      | \$/kW | (0.60) |
| Primary Metering Allowance for transformer losses - applied to measured demand and energy | %     | (1.00) |

#### Effective and Implementation Date May 1, 2025

This schedule supersedes and replaces all previously

approved schedules of Rates, Charges and Loss Factors

EB-2024-0051

### SPECIFIC SERVICE CHARGES

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 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 Global Adjustment and the HST.

| Customer Administration   |    |                  |
|---|----|------------------|
| Account set up charge/change of occupancy charge (plus credit agency costs if applicable)   | \$ | 30.00            |
| Returned cheque (plus bank charges)   | \$ | 15.00            |
| Legal letter charge   | \$ | 15.00            |
| Meter dispute charge plus Measurement Canada fees (if meter found correct)  | \$ | 30.00            |
| Non-Payment of Account<br>Late payment - per month  |    |                  |
| (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)<br>Reconnection charge - at meter - during regular hours | %  | 1.50             |
|   | \$ | 65.00            |
| Reconnection charge - at meter - after hours  | \$ | 185.00           |
| Reconnection charge - at pole - during regular hours  | \$ | 185.00           |
| Reconnection charge - at pole - after hours   | \$ | 415.00           |
| Other   |    |                  |
| Special meter reads   | \$ | 30.00            |
| Service call - customer-owned equipment   |    | Time & Materials |
| Service call - after regular hours  |    | Time & Materials |
| Temporary service - install & remove - overhead - no transformer  |    | Time & Materials |
| Temporary service - install & remove - underground - no transformer   |    | Time & Materials |
| Temporary service - install & remove - overhead - with transformer  |    | Time & Materials |
| Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)                           | \$ | 39.14            |
| Removal of overhead lines - during regular hours  |    | Time & Materials |
| Removal of overhead lines - after hours   |    | Time & Materials |
| Roadway escort - after regular hours  |    | Time & Materials |
|   |    |                  |

Effective and Implementation Date May 1, 2025

This schedule supersedes and replaces all previously

approved schedules of Rates, Charges and Loss Factors

EB-2024-0051

### **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 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  | \$       | 121.23    |  |  |  |
|---|----------|-----------|--|--|--|
| Monthly fixed charge, per retailer  | \$       | 48.50     |  |  |  |
| Monthly variable charge, per customer, per retailer   | \$/cust. | 1.20      |  |  |  |
| Distributor-consolidated billing monthly charge, per customer, per retailer   | \$/cust. | 0.71      |  |  |  |
| Retailer-consolidated billing monthly credit, per customer, per retailer  | \$/cust. | (0.71)    |  |  |  |
| Service Transaction Requests (STR)  |          |           |  |  |  |
| Request fee, per request, applied to the requesting party   | \$       | 0.61      |  |  |  |
| Processing fee, per request, applied to the requesting party  | \$       | 1.20      |  |  |  |
| 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)   | \$       | 4.85      |  |  |  |
| Notice of switch letter charge, per letter (unless the distributor has opted out of applying the charge as per the Ontario Energy Board's Decision and Order EB-2015-0304, issued on February 14, 2019) | \$       | 2.42      |  |  |  |

### 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

|                                    | -                     | 1.0402 |
|------------------------------------|-----------------------|--------|
| Total Loss Factor - Primary Metere | d Customer < 5,000 kW | 1.0357 |