



EB-2008-0205

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 Oshawa
PUC Networks Inc. for an order or orders approving or
fixing just and reasonable distribution rates and other
charges, to be effective May 1, 2009.

BEFORE: Paul Vlahos
Presiding Member

Ken Quesnelle
Member

DECISION AND ORDER

Introduction

Oshawa PUC Networks Inc. ("OPUCN") is a licensed distributor of electricity providing service to consumers within its licensed service area. OPUCN filed an application with the Ontario Energy Board (the "Board") for an order or orders approving or fixing just and reasonable rates for the distribution of electricity and other charges, to be effective May 1, 2009.

OPUCN is one of about 80 electricity distributors in Ontario that are regulated by the Board. In 2008, the Board announced the establishment of a new multi-year electricity distribution rate-setting plan, the 3rd Generation Incentive Rate Mechanism ("IRM")

process, that will be used to adjust electricity distribution rates starting in 2009 for those distributors whose 2008 rates were rebased through a cost of service review. As part of the plan, OPUCN is one of the electricity distributors to have its rates adjusted for 2009 on the basis of the IRM process, which provides for a mechanistic and formulaic adjustment to distribution rates and charges between cost of service applications.

To streamline the process for the approval of distribution rates and charges for distributors, the Board issued its *Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* on July 14, 2008, its *Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* on September 17, 2008, and its *Addendum to the Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* on January 28, 2009 (together the "Reports"). Among other things, the Reports contained the relevant guidelines for 2009 rate adjustments (the "Guidelines") for distributors applying for distribution rate adjustments pursuant to the IRM process.

In its letter of acknowledgment dated November 17, 2008, the Board decided to review OPUCN's application in two parts: Part I is a review of the standard IRM application and requests regarding recovery of Lost Revenue Adjustment Mechanism (LRAM) and Shared Savings Mechanism (SSM) amounts. Part II is a review of the request for incremental capital investment. This Decision and Order only relates to Part I of OPUCN's application.

Notice of OPUCN's rate application was given through newspaper publication in OPUCN's service area advising of the availability of the rate application and advising how interested parties may intervene in Part I and Part II of the proceeding or comment on the application. No letters of comment were received. The Vulnerable Energy Consumers Coalition ("VECC") and the School Energy Coalition ("SEC") applied and were granted intervenor status in this proceeding. For Part I of the proceeding, VECC and Board staff posed interrogatories and made submissions. The Board proceeded by way of a written hearing for Part I. Part II will proceed by way of an oral hearing.

While the Board has considered the entire record in this rate application, it has made reference only to such evidence as is necessary to provide context to its findings.

Price Cap Index Adjustment

OPUCN's rate application was filed on the basis of the Guidelines. In fixing new distribution rates and charges for OPUCN, the Board has applied the policies described in the Reports.

As outlined in the Reports, distribution rates under the 3rd Generation IRM are to be adjusted by a price escalator less a productivity factor (X-factor) of 0.72% and OPUCN's utility specific stretch factor of 0.4%. Based on the final 2008 data published by Statistics Canada, the Board has established the price escalator to be 2.3%. The resulting price cap index adjustment is therefore 1.18%. The rate model was adjusted to reflect the newly calculated price cap adjustment. This price cap index adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes. An adjustment for the transition to a common deemed capital structure of 60% debt and 40% equity was also effected. A change in the federal income tax rate effective January 1, 2009 was incorporated into the rate model and reflected in distribution rates.

The Federal Budget enacted on February 3, 2009 included an increase in the small business income limit from \$400,000 to \$500,000 effective January 1, 2009, and a change in the capital cost allowance (CCA) applicable to certain computer equipment and related system software (CCA class 50) acquired between January 27, 2009 and February 2011. The Board has considered these fiscal changes and determined that the rate model will be adjusted to reflect the increase in the federal small business income limit for affected distributors. With regard to the change in the CCA, the Board notes that this change would be captured in the revenue requirement calculation as it relates to smart meters when a distributor applies for cost recovery for the applicable

investment period. For other computer equipment and related system software in class 50, the Board concludes that this adjustment is not required since it does not appear to be material.

The price cap index adjustment does not apply to the following components of distribution rates:

- Rate Riders;
- Retail Transmission Service Rates;
- Wholesale Market Service Rate;
- Rural Rate Protection Charge;
- Standard Supply service – Administrative Charge;
- Transformation and Primary Metering Allowances;
- Retail Service Charges;
- Loss Factors; and
- Smart Meter Funding Adder.

Bill 44 – Payments in Lieu of Taxes (PILs)

On December 13, 2007, the Ontario government introduced its *2007 Ontario Economic Outlook and Fiscal Review*. Bill 44, the enabling legislation, received Royal Assent on May 14, 2008, and was promulgated in *The Ontario Gazette* on May 24, 2008. The resulting tax provision changes resulted in a decrease in PILs for OPUCN.

The Board's Decision in EB-2007-0710, OPUCN's 2008 cost of service application ("2008 CoS"), was issued on March 19, 2008, prior to Bill 44 being enacted. Accordingly, OPUCN's revenue requirement was calculated on the tax rates that existed prior to the enactment of Bill 44.

Board staff noted that some 2008 CoS proceedings required more time to process than

others. As a result, some applications that were filed with the Board at around the same time as OPUCN filed its 2008 CoS application had their Decisions issued after May 24, 2008, with their resulting electricity distribution rates reflecting the lower tax rates. Board staff submitted that for consistency and fairness across electricity distributors, the difference in PILs OPUCN is collecting in its distribution rates as a result of its 2008 CoS Decision having been issued before May 24, 2008, should be removed as of May 1, 2009. Board staff calculated the revenue requirement reduction to be \$28,954. Board staff also submitted that the additional amounts OPUCN collected in the 2008 rate year should remain with OPUCN, as it appropriately reflected the Board Decision (EB-2007-0710) for that rate year.

In its reply submission, OPUCN agreed with Board staff's submission and the calculated amount.

The Board finds Board staff's proposed adjustment appropriate and has reflected these changes in the attached draft Tariff of Rates and Charges (Appendix A).

Rural or Remote Electricity Rate Protection Adjustment

In accordance with Ontario Regulation 442/01, Rural or Remote Electricity Rate Protection ("RRRP") (made under the *Ontario Energy Board Act, 1998*) the Board issued a Decision on December 17, 2008 setting out the amount to be charged by the Independent Electricity System Operator ("IESO") with respect to the RRRP for each kilowatt-hour of electricity that is withdrawn from the IESO-controlled grid.

In a letter dated December 17, 2008 the Board directed distributors that had a rate application before the Board to file a request with the Board that the RRRP charge in their tariff sheet be revised to 0.13 cent per kilowatt-hour effective May 1, 2009.

OPUCN complied with this directive. The rate model was adjusted to reflect the new

RRRP charge.

Smart Meter Funding Adder

On October 22, 2008 the Board issued a Guideline for Smart Meter Funding and Cost Recovery (“Smart Meter Guideline”) which sets out the Board’s filing requirements in relation to the funding of, and the recovery of costs associated with, smart meter activities conducted by electricity distributors.

As set out in the Smart Meter Guideline, a distributor that plans to implement smart meters in the rate year must include, as part of the application, evidence that the distributor is authorized to conduct smart meter activities in accordance with applicable law.

OPUCN reports that it is authorized to conduct smart meter activities because it has procured smart meters pursuant to and in compliance with the August 14, 2007 Request for Proposal issued by London Hydro Inc.

OPUCN requested the standard smart meter funding adder of \$1.00 per metered customer per month. While VECC noted in its submission that OPUCN had technically met the filing requirements set out in the Smart Meter Guideline for the standard smart meter funding adder of \$1.00 per metered customer per month, VECC submitted that there was insufficient evidence to determine whether the requested smart meter funding adder would result in an over or under-collection in the 2009 rate year.

The Board notes that the standard smart meter funding adder of \$1.00 per metered customer per month is intended to provide funding in the case where a distributor may be in the early stages of planning and may not yet have sufficient cost information to request a utility-specific funding adder. Accordingly, a more precise estimate of the over or under-collection than that permitted to be derived from the evidence filed by

OPUCN is neither required nor expected. The Board also notes that any such over or under-collection will be captured in OPUCN's variance accounts for smart meter program implementation costs. The Board approves the funding adder as proposed by OPUCN. This new funding adder is reflected in the Tariff of Rates and Charges that is appended to this Decision and Order.

The Board notes that the smart meter funding adder of \$1.00 per metered customer per month is intended to provide funding for OPUCN's smart metering activities in the 2009 rate year. The Board has not made any finding on the prudence of the proposed smart meter activities, including any costs for smart meters or advanced metering infrastructure whose functionality exceeds the minimum functionality adopted in O. Reg. 425/06, or costs associated with functions for which the Smart Metering Entity has the exclusive authority to carry out pursuant to O. Reg. 393/07. Such costs will be considered at the time that OPUCN applies for the recovery of these costs.

Revenue-to-Cost Ratios

Revenue-to-cost ratios ("Ratios") measure the relationship between the revenues expected from a class of customers and the level of costs allocated to that class. The Board has established target Ratio ranges (the "Target Ranges") for Ontario electricity distributors in its report *Application of Cost Allocation for Electricity Distributors*, dated November 28, 2007. In its EB-2007-0710 Decision, the Board made findings with regard to OPUCN's Ratios and directed that they be incrementally adjusted over time, starting in 2008 (the "2008 Ratios").

OPUCN proposed to adjust its Ratios as shown in Column 2 of Table 1.

Table 1 – OPUCN’s Revenue-to-Cost Ratios (%)

Rate Class	2008 Ratio	Proposed 2009 Ratio	Target Range
	Column 1	Column 2	Column 3
Residential	92.2	94.5	85 – 115
GS < 50 kW	125.0	122.4	80 – 120
GS 50 – 999 kW	99.8	100.1	80 – 180
GS 1,000 – 4,999 kW	257.0	211.1	80 – 180
Large Use > 5 MW	186.0	141.4	85 – 115
Street Lighting	46.0	55.6	70 – 120
Sentinel Lighting	62.0	65.8	70 – 120
USL	160.7	138.4	80 – 120

In response to Board staff interrogatories, OPUCN indicated that it had revised its estimated Ratio from 132% to 162% for the Unmetered Scattered Load rate class (“USL”) in the draft rate order it filed in EB-2007-0710. OPUCN’s draft 2008 rate order indicated that the USL’s ratio would be reduced from 162% to 160.7%. OPUCN argued that the Board Decision in EB-2007-0710 did not identify the adjustments to be made to the USL’s Ratio. OPUCN also indicated that it intends to bring the USL’s ratio to the upper limit of the range by adjusting its Ratio to 141% in this application and to 120% in its next rate application. The Board finds OPUCN’s proposed USL Ratio adjustments to be appropriate and approves them.

The Board noted that Ratios shown in Column 2 of Table 1 correspond to the Ratios calculated by the rate model, which differ slightly from the Ratios shown in OPUCN’s manager’s summary, including the proposed Ratio for the USL.

Board staff further noted that, for the purpose of calculating the Ratio adjustments, the

rate model allocates the low voltage charges and transformer allowance “costs” across rate classes in a way that may differ from how they were allocated in OPUCN’s 2008 cost of service application (“2008 CoS”). Board staff submitted that this difference is immaterial and that OPUCN’s proposed Ratio adjustments are reasonable and in compliance with its 2008 cost of service Decision (EB-2007-0710). Board staff also noted that the rate model will be adjusted next year to enable distributors to reflect how the low voltage charges and transformer allowance “costs” were allocated for the purpose of calculating their Ratios in their 2008 CoS. Accordingly, any differences in the calculation of the Ratios in the 2009 rate model will be reversed in the 2010 rate model next year.

In its submission, VECC concurred with Board staff’s observations regarding the allocation of the transformer allowance “costs” and low voltage charges. VECC however noted two additional concerns with the rate model.

First, VECC submitted that the Ratios shown in Column 1 of Table 1 should be used as the starting point for the 2009 Ratio adjustments. In contrast, the rate model estimates what the actual 2008 Ratios were and uses these estimates as the starting point for the 2009 Ratio adjustments. VECC submitted that the approach underlying the rate model only works if the billing parameters (i.e., kWhs, kW and customer count) represent close to the same proportions by rate class in 2009 as they did in OPUCN’s Cost Allocation Informational filing. VECC submitted that the Board should direct Board staff to revisit this part of the rate model next year.

Second, VECC noted that OPUCN’s Cost Allocation Informational filing allocated distribution service revenues and miscellaneous revenues across rate classes, whereas the rate model only allocates distribution service revenues. VECC noted that the impact of this difference in methodology is likely small. VECC submitted that the Board should direct Board staff to revisit this part of the rate model next year.

The Board sees merits in Board staff's proposed adjustments to the rate model and VECC's proposed additional adjustments. The Board expects Board staff to consider those adjustments when preparing the rate model for next year. The Board notes that Board staff recommended that OPUCN's proposed 2009 Ratio adjustments be approved as submitted. The Board endorses the rate adjustments to achieve the Ratios proposed by OPUCN as they follow the direction and intent of the 2008 cost of service Decision (EB-2007-0710) and are reasonable.

Retail Transmission Service Rates

On October 22, 2008 the Board issued a Guideline for *Electricity Distribution Retail Transmission Service Rates* ("RTSR Guideline") which provides electricity distributors with instructions on the evidence needed, and the process to be used, to adjust Retail Transmission Service Rates ("RTSRs") to reflect changes in the Ontario Uniform Transmission Rates ("UTRs").

On August 28, 2008, the Board issued its Decision and Rate Order in proceeding EB-2008-0113, setting new UTRs for Ontario transmitters, effective January 1, 2009. The Board approved an increase of 11.3% to the wholesale transmission network rate, an increase of 18.6% to the wholesale transmission line connection rate, and an increase of 0.6% to the wholesale transformation connection rate.

Electricity distributors are charged the UTRs at the wholesale level and subsequently pass these charges on to their distribution customers through the RTSRs. There are two RTSRs, whereas there are three UTRs. The two RTSRs are for network and connection. The wholesale line and transformation connection rates are combined into one retail connection service charge. Deferral accounts are also used to capture timing differences and differences in the rate that a distributor pays for wholesale transmission service compared to the retail rate that the distributor is authorized to charge when billing its customers (i.e., deferral accounts 1584 and 1586).

In the RTSR Guideline the Board directed all electricity distributors to propose an adjustment to their RTSRs to reflect the new UTRs for Ontario transmitters effective January 1, 2009. The objective of resetting the rates was to minimize the prospective balances in deferral accounts 1584 and 1586.

OPUCN proposed to increase its RTSR – Network Service Rates by 11.3% and originally proposed to increase its RTSR – Line and Transformation Connection Service Rates by 19.2%. Board staff and VECC submitted that the proposed increase of 19.2% to OPUCN’s RTSR – Line and Transformation Connection Service Rates was not supported by the evidence and VECC submitted that an increase of 5.4% would instead be appropriate. In its reply submission, OPUCN proposed to increase its RTSR – Line and Transformation Connection Service Rates by 5.4% instead of 19.2%. OPUCN indicated that these adjustments were appropriate as they reflect the expected increase in charges payable by OPUCN resulting from the UTR changes. The Board finds that this approach is reasonable and approves these adjustments.

Lost Revenue Adjustment Mechanism (“LRAM”) and Shared Savings Mechanism (“SSM”)

The LRAM is designed to compensate distributors for lost revenues due to CDM activities while the SSM provides an incentive for distributors to aggressively implement CDM programs.

In its application, OPUCN applied for the approval and recovery of an LRAM amount of \$192,021, and an SSM amount of \$16,959, in relation to programs delivered in 2006 and 2007. The LRAM amount relates to programs funded through the third tranche mechanism and through the Ontario Power Authority (“OPA”). The SSM amount relates only to programs funded through the third tranche mechanism.

OPUCN proposed that the LRAM and SSM amounts be recovered through two

volumetric rate riders: a one-year rate rider applicable to the Residential rate class and a one-year rate rider applicable to the Unmetered Scattered Load rate class. OPUCN is not requesting the recovery of carrying charges as it considers this amount to be immaterial.

VECC stated that it had four general concerns relating to the framework and assumptions under which OPUCN's LRAM and SSM claim was prepared:

- Use of the Board's input assumptions rather than the OPA's input assumptions;
- Variability among distributors related to the calculation of (partial) effectiveness;
- Lack of adjustments for less than 100% persistence; and
- Lack of OPA verification of results due to the (relatively new) OPA Evaluation, Verification and Audit program being focused on current and future conservation and demand management ("CDM") results.

VECC noted that these concerns are generally the same for all distributors that filed for recovery of LRAM and SSM for 2006 and/or 2007 based on OPA funded programs. In VECC's view, the concerns result in a material overstatement of the kW / kWh savings and the amount claimed.

In its reply submission, OPUCN stated that its LRAM and SSM claimed amounts were prepared in accordance with the Board's *Guidelines for Electricity Distributor Conservation and Demand Management*, issued on March 28, 2008 (the "CDM Guidelines"). With respect to adjustments for persistence, OPUCN noted that the CDM Guidelines state that "... at this time, distributors should assume 100% persistence in assessing CDM cost effectiveness."

The Board finds that OPUCN has satisfied the Board's filing and disposition requirements for LRAM and SSM amounts. The Board approves the recovery of the LRAM amount of \$192,021, and the SSM amount of \$16,959, by means of the two one-

year rate riders as proposed by OPUCN.

The Board is providing OPUCN with a rate model (spreadsheet) and a draft Tariff of Rates and Charges (Appendix A) that reflects the elements of this Decision. The Board also reviewed the entries in the rate model to ensure that they were in accordance with the 2008 Board approved Tariff of Rates and Charges and the rate model was adjusted, where applicable, to correct any discrepancies.

THE BOARD ORDERS THAT:

OPUCN's new distribution rates will be effective May 1, 2009. The Board Orders that:

1. OPUCN shall review the draft Tariff of Rates and Charges set out in Appendix A. OPUCN 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 seven (7) calendar days of the date of this Decision and Order.

If the Board does not receive a submission by OPUCN to the effect that inaccuracies were found or information was missing pursuant to item 1 of this Decision and Order:

2. The draft Tariff of Rates and Charges set out in Appendix A of this Order will become final, effective May 1, 2009, and will apply to electricity consumed or estimated to have been consumed on and after May 1, 2009.
3. The Tariff of Rates and Charges set out in Appendix A of this Order shall supersede all previous distribution rate schedules approved by the Board for OPUCN and is final in all respects.

4. OPUCN shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

If the Board receives a submission by OPUCN to the effect that inaccuracies were found or information was missing pursuant to item 1 of this Decision and Order, the Board will consider the submission of OPUCN and will issue a final Tariff of Rates and Charges.

DATED at Toronto, March 20, 2009.

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Appendix A
To Decision and Order
EB-2008-0205
March 20, 2009

Oshawa PUC Networks Inc.

TARIFF OF RATES AND CHARGES

Effective May 1, 2009

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

EB-2008-0205

APPLICATION

- The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Codes, Guidelines or Orders 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, Guideline or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.
- This schedule does not contain any rates and charges relating to the electricity commodity (e.g. the Regulated Price Plan).

EFFECTIVE DATES

DISTRIBUTION RATES - May 1, 2009 for all consumption or deemed consumption services used on or after that date.
SPECIFIC SERVICE CHARGES - May 1, 2009 for all charges incurred by customers on or after that date.
RETAIL SERVICE CHARGES – May 1, 2009 for all charges incurred by retailers or customers on or after that date.
LOSS FACTOR ADJUSTMENT – May 1, 2009 unless the distributor is not capable of prorating changed loss factors jointly with distribution rates. In that case, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

SERVICE CLASSIFICATIONS

Residential

This classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, townhouse (freehold or condominium) dwelling units, duplexes or triplexes. Basic connection is defined as 100 amp 12/240 volt overhead service. Further servicing details are available in the distributor's Conditions of Service.

General Service Less Than 50 kW

This classification refers to a non-residential account taking electricity at 750 volts or less whose monthly peak demand is less than or expected to be less than 50 kW. Further servicing details are available in the distributor's Conditions of Service.

General Service 50 to 999 kW

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 1,000 kW. Note that for statistical purposes the following sub-classifications apply:

- General Service 50 to 200 kW
- General Service over 200 kW

Further servicing details are available in the distributor's Conditions of Service.

General Service 1,000 to 4,999 kW – Formerly Referred to as Intermediate or Time of Use

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, 1,000 kW but less than 5,000 kW. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply:

- General Service 1,000 to 5,000 kW non-interval metered
- General Service 1,000 to 5,000 kW interval metered.

Further servicing details are available in the distributor's Conditions of Service.

Large Use

This classification applies to an 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, 5,000 kW. Further servicing details are available in the distributor's Conditions of Service.

Oshawa PUC Networks Inc.

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Unmetered Scattered Load

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.

Sentinel Lighting

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Further servicing details are available in the distributor's Conditions of Service.

Street Lighting

This classification refers to accounts concerning roadway lighting for a Municipality, Regional Municipality, and/or Ministry of Transportation. This lighting will be controlled by photo cells. The consumption for these customers will be based on the calculated connected load times as established in the approved OEB Street Lighting Load Shape Template. Further servicing details are available in the distributor's Conditions of Service.

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	9.16
Service Charge Tax Change Rate Rider – effective until April 30, 2010	\$	(0.01)
Distribution Volumetric Rate	\$/kWh	0.0123
Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider – effective until April 30, 2010	\$/kWh	0.0004
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0053
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service Less Than 50 kW

Service Charge	\$	9.48
Service Charge Tax Change Rate Rider – effective until April 30, 2010	\$	(0.01)
Distribution Volumetric Rate	\$/kWh	0.0179
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0048
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0041
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Oshawa PUC Networks Inc.

TARIFF OF RATES AND CHARGES

Effective May 1, 2009

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EB-2008-0205

General Service 50 to 999 kW

Service Charge	\$	43.91
Service Charge Tax Change Rate Rider – effective until April 30, 2010	\$	(0.04)
Distribution Volumetric Rate	\$/kW	3.7618
Distribution Volumetric Tax Change Rate Rider – effective until April 30, 2010	\$/kW	(0.0036)
Retail Transmission Rate – Network Service Rate	\$/kW	1.7404
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4638
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.2307
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.8594
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service 1,000 to 4,999 kW – Formerly Intermediate or Time of Use

Service Charge	\$	1,265.48
Service Charge Tax Change Rate Rider – effective until April 30, 2010	\$	(1.21)
Distribution Volumetric Rate	\$/kW	2.8092
Distribution Volumetric Tax Change Rate Rider – effective until April 30, 2010	\$/kW	(0.0027)
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.2307
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.8594
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Large Use

Service Charge	\$	7,793.43
Service Charge Tax Change Rate Rider – effective until April 30, 2010	\$	(7.48)
Distribution Volumetric Rate	\$/kW	2.1425
Distribution Volumetric Tax Change Rate Rider – effective until April 30, 2010	\$/kW	(0.0021)
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.3767
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	2.0289
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Unmetered Scattered Load

Service Charge (per connection)	\$	4.03
Distribution Volumetric Rate	\$/kWh	0.0168
Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider – effective until April 30, 2010	\$/kWh	0.0058
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0048
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0041
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Oshawa PUC Networks Inc.

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Sentinel Lighting

Service Charge (per connection)	\$	3.45
Distribution Volumetric Rate	\$/kW	7.8093
Distribution Volumetric Tax Change Rate Rider – effective until April 30, 2010	\$/kW	(0.0075)
Retail Transmission Rate – Network Service Rate	\$/kW	1.2004
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7184
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Street Lighting

Service Charge (per connection)	\$	0.90
Distribution Volumetric Rate	\$/kW	14.1503
Distribution Volumetric Tax Change Rate Rider – effective until April 30, 2010	\$/kW	(0.0136)
Retail Transmission Rate – Network Service Rate	\$/kW	1.1800
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6893
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Specific Service Charges

Customer Administration		
Arrears certificate	\$	15.00
Easement Letter	\$	15.00
Account history	\$	15.00
Credit reference Letter	\$	15.00
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
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Disconnect/Reconnect at meter – during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Disconnect/Reconnect at pole – after regular hours	\$	415.00
Install/Remove load control device – during regular hours	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
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)

Oshawa PUC Networks Inc.

TARIFF OF RATES AND CHARGES

Effective May 1, 2009

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

EB-2008-0205

Retail Service Charges (if applicable)

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 charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing 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

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0487
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0382
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045