

## **DECISION AND RATE ORDER**

**EB-2019-0030**

### **ENTEGRUS POWERLINES INC.**

**Application for rates and other charges for Entegrus - St.Thomas rate zone to be effective January 1, 2020, and for Entegrus - Main rate zone to be effective May 1, 2020**

**By Delegation, Before: Pascale Duguay**

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**December 12, 2019**

# 1 INTRODUCTION AND SUMMARY

Through this Decision and Rate Order, the Ontario Energy Board (OEB) approves the incentive rate-setting mechanism (IRM) application filed by Entegrus Powerlines Inc. (Entegrus Powerlines) for new rates effective January 1, 2020 for the St. Thomas rate zone, and May 1, 2020 for the Main rate zone.

On July 21, 2017, Entegrus Powerlines and St. Thomas Energy Inc. (St. Thomas Energy) submitted a merger, amalgamation, acquisition and divestiture (MAADs) application seeking approval to amalgamate and continue as Entegrus Powerlines.<sup>1</sup> On March 15, 2018, the OEB approved the amalgamation and deferred rate re-basing for the merged entity to 2026. Subsequently, Entegrus Powerlines notified the OEB that the transaction was complete effective April 1, 2018. On April 19, 2018, Entegrus Powerlines received its amended Licence.<sup>2</sup>

As noted in the MAADs application, Entegrus Powerlines plans to maintain two separate rate zones until such time as rates are re-based.

Entegrus Powerlines serves approximately 59,000 mostly residential and commercial electricity customers in the Municipality of Chatham-Kent, the Towns of Strathroy and Parkhill, the Villages of Mount Brydges, Dutton and Newbury and the City of St. Thomas. The company is seeking the OEB's approval for the rates it charges to distribute electricity to its customers, as is required of licenced and rate-regulated distributors in Ontario.

A distributor may choose one of three rate-setting methodologies approved by the OEB. Each of these is explained in the [Handbook for Utility Rate Applications](#).

Entegrus Powerlines' application is for both rate zones and is based on a Price Cap Incentive Rate-setting option (Price Cap IR), with a five-year term. The Price Cap IR option involves the setting of rates through a cost of service application in the first year. Mechanistic price cap adjustments, based on inflation and the OEB's assessment of the distributor's efficiency, are typically then approved through IRM applications in each of the ensuing four (adjustment) years.

As a result of the OEB's findings in this Decision, there will be a monthly total bill increase before taxes of \$1.60 in the Entegrus - Main rate zone effective May 1, 2020, and a decrease of \$1.42 in the Entegrus - St. Thomas rate zone effective January 1, 2020, for a residential customer consuming 750 kWh.

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<sup>1</sup> EB-2017-0212, Decision and Order, March 15, 2018.

<sup>2</sup> Licence number ED-2002-0563.

## 2 THE PROCESS

This Decision is being issued by delegated authority, without a hearing, under section 6 of the *Ontario Energy Board Act, 1998* (the OEB Act).

The OEB follows a standardized and streamlined process for hearing 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.<sup>3</sup> A distributor will then review and complete the Rate Generator Model, and include it with its application.

Entegrus Powerlines filed its application on August 12, 2019 under section 78 of the OEB Act and in accordance with the Chapter 3 of the OEB's [Filing Requirements for Incentive Rate-Setting Applications](#) (Filing Requirements) [and Addendum to Filing Requirements for Electricity Distribution Rate Applications](#).

The application was supported by pre-filed written evidence and a completed Rate Generator Model. During the course of the proceeding, the applicant responded to OEB staff questions through emails and phone calls and, where required, updated and clarified the evidence.

## 3 ORGANIZATION OF THE DECISION

In this Decision, the OEB addresses the following issues, and provides reasons for approving or denying Entegrus Powerlines' proposals relating to each of them:

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

In the final section, the OEB addresses the steps to implement the final rates that flow from this Decision.

This Decision does not address rates and charges approved by the OEB in previous proceedings which are not part of the scope of an IRM proceeding (such as specific

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<sup>3</sup> The Rate Generator Model is a Microsoft Excel workbook that is used to update base rates, retail transmission service rates and, if applicable, shared tax saving adjustments. It also calculates rate riders for the disposition of deferral and variance account balances. During the course of an IRM proceeding, the Rate Generator Model may be updated in order to make any necessary corrections, or to incorporate new rate-setting parameters as they become available.

service charges<sup>4</sup> and loss factors). No further approvals are required to continue to include these items on a distributor's Tariff of Rates and Charges.

## 4 PRICE CAP ADJUSTMENT

Entegrus Powerlines seeks to increase its rates, effective May 1, 2020 for its Main rate zone and January 1, 2020 for its St. Thomas rate zone, based on a mechanistic rate adjustment using the OEB-approved *inflation minus X-factor* formula applicable to Price Cap IR applications.

The components of the Price Cap IR adjustment formula applicable to both rate zones are set out in Table 4.1, below. Inserting these components into the formula results in a 1.85% increase to the rates in both rate zones:  $1.85\% = 2.00\% - (0.00\% + 0.15\%)$ .

**Table 4.1: Price Cap IR Adjustment Formula**

Components		Amount
Inflation Factor <sup>5</sup>		2.00%
X-Factor	Productivity <sup>6</sup>	0.00%
	Stretch (0.00% – 0.60%) <sup>7</sup>	0.15%

The inflation factor of 2.00% applies to all Price Cap IR applications for the 2020 rate year.

<sup>4</sup> Specific service charges have been amended by the OEB through: the Report of the OEB – “Wireline Pole Attachment Charges”, EB-2015-0304, Issued March 22, 2018; and, the Decision and Order on Energy Retail Service Charges EB-2015-0304, Issued on February 14, 2019. Certain Service Charges are subject to annual inflationary adjustments to be determined by the OEB through a generic order. The Decision and Order EB-2019-0280 issued November 28, 2019 for energy retailer service charges, and the cover letter dated November 28, 2019 “Inflation Adjustment for Energy Retailer Service Charges (EB-2019-0280) and Wireline Pole Attachment Charge (EB-2015-0304) for Electricity Distributors”, established the adjustments effective January 1, 2020.

<sup>5</sup> For the 2020 Inflation Factor, see Ontario Energy Board 2020 Electricity Distribution Rate applications webpage – October 31, 2019.

<sup>6</sup> Report of the OEB – “Rate Setting Parameters and Benchmarking under the Renewed Regulatory Framework for Ontario’s Electricity Distributors” EB-2010-0379, Issued November 21, 2013, corrected December 4, 2013.

<sup>7</sup> The stretch factor groupings are based on the Report to the Ontario Energy Board – “Empirical Research in Support of Incentive Rate-Setting: 2018 Benchmarking Update”, prepared by Pacific Economics Group LLC., August 15, 2019.

The X-factor is the sum of the productivity factor and the stretch factor. It is a productivity offset that will vary 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 Price Cap IR and Annual IR Index applications for the 2020 rate year.

The stretch factor component of the X-factor is distributor specific. The OEB has established five stretch factor groupings, each within a range from 0.00% to 0.60%. The stretch factor assigned to any particular distributor is based on the distributor's total cost performance as benchmarked against other distributors in Ontario. The most efficient distributor would be assigned the lowest stretch factor of 0.00%. Conversely, a higher stretch factor would be applied to a less efficient distributor (in accordance with its cost performance relative to expected levels) to reflect the incremental productivity gains that the distributor is expected to achieve. The stretch factor assigned to Entegrus Powerlines is 0.15%.

## Findings

The OEB finds that Entegrus Powerlines' request for a 1.85% rate adjustment is in accordance with the annually updated parameters set by the OEB. The adjustment is approved, and Entegrus Powerlines' new rates shall be effective May 1, 2020 for the Main rate zone, and January 1, 2020 for the St. Thomas rate zone.

The adjustment applies to distribution rates (fixed and variable) uniformly across all customer classes.<sup>8</sup>

## 5 RETAIL TRANSMISSION SERVICE RATES

Distributors charge retail transmission service rates (RTSRs) to their customers in order to recover the amounts they pay to a transmitter, a host distributor, or both, for transmission services. All transmitters charge Uniform Transmission Rates (UTRs) to distributors connected to the transmission system. Host distributors charge host-RTSRs

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<sup>8</sup> Price Cap IR and Annual IR Index adjustments do not apply to the following rates and charges: 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, microFIT charge, and retail service charges.

to distributors embedded within the host's distribution system. Each of these rates are OEB-approved.

The Entegrus - Main rate zone is partially embedded within Hydro One Networks Inc.'s distribution system and is requesting approval to adjust the RTSRs that it charges its customers to reflect the currently approved rates that it pays for transmission services included in Table 5.1 and Table 5.2.

The Entegrus - St. Thomas rate zone is transmission connected. Entegrus Powerlines is requesting approval to adjust the RTSRs that it charges its customers to reflect the rates that it pays for transmission services included in Table 5.1 below.

**Table 5.1: UTRs<sup>9</sup>**

UTRs (2019)	per kW
Network Service Rate	\$3.83
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.96
Transformation Connection Service Rate	\$2.30

**Table 5.2: Hydro One Networks Inc. Sub-Transmission Host-RTSRs<sup>10</sup>**

Sub-Transmission Host RTSRs (2019)	per kW
Network Service Rate	\$3.29
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.79
Transformation Connection Service Rate	\$1.98

## Findings

Entegrus Powerlines' proposed adjustment to its RTSRs for both rate zones is approved. The RTSRs were adjusted based on the current UTRs and host-RTSRs (for the Entegrus - Main rate zone), and for the current UTR's (for the Entegrus - St. Thomas rate zone).

<sup>9</sup> EB-2019-0164, Decision and Order, July 25, 2019.

<sup>10</sup> EB-2017-0049, Decision and Order, June 11, 2019.

The differences resulting from the approval of new 2020 UTRs will be captured in Accounts RSVA – Retail Transmission Network Charge 1584 and Retail Transmission Connection Charge 1586.

## 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 in order to determine whether their total balance should be disposed.<sup>11</sup> OEB policy requires that Group 1 accounts be disposed if they exceed (as a debit or credit) a pre-set disposition threshold of \$0.001 per kWh, unless a distributor justifies why balances should not be disposed.<sup>12</sup> If the balance does not exceed the threshold, a distributor may elect to request disposition.

### (I) Entegrus - Main rate zone

The 2018 actual year-end total balance for the Entegrus Powerlines - Main rate zone Group 1 accounts including interest projected to April 30, 2020 is a debit of \$1,249,021. This amount represents a total debit claim of \$0.0013 per kWh, which exceeds the disposition threshold and the utility requested disposition.

#### a) *Global Adjustment Variance Account*

One of the components of the commodity costs billed by the Independent Electricity System Operator (IESO) which is included in Group 1 accounts is the Global Adjustment (GA).<sup>13</sup>

Different customer groups pay the GA in different ways:

- For Regulated Price Plan (RPP) customers, the GA is incorporated into the standard commodity rates customers pay. Therefore, there is no separate variance account for the GA.

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<sup>11</sup> Group 1 accounts track the differences between the costs that a distributor is billed for certain IESO and host distributor services (including the cost of power) and the associated revenues that the distributor receives from its customers for these services. 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>12</sup> Report of the OEB – “Electricity Distributors’ Deferral and Variance Account Review Initiative (EDDVAR).” EB-2008-0046, July 31, 2009.

<sup>13</sup> The GA is established monthly by the IESO to reflect the difference between the wholesale market price for electricity and regulated rates for:

- Ontario Power Generation’s nuclear and hydroelectric generating stations
- payments for building or refurbishing infrastructure such as gas-fired and renewable facilities and other nuclear
- contracted rates paid to a number of generators across the province
- the cost of delivering conservation programs.

- “Class A” customers are allocated GA costs based on the percentage their demand contributes to the top five Ontario system peaks. As distributors settle with Class A customers based on actual GA costs, there is no resulting variance.
- “Class B” non-RPP customers are billed GA based on the electricity they consume in a month at the IESO published GA price. Distributors track any difference between the billed amounts and actual costs for these customers in the GA Variance Account for disposal, once audited.

Under the general principle of cost causality, customer groups that cause variances which are recorded in Group 1 accounts should be responsible for paying (or receiving credits) for their disposal. A customer’s movement from one group to another should not prevent that customer from paying/receiving a debit/credit balance.

The applicant proposes, for the Entegrus - Main rate zone, a refund of its GA variance account balance of \$254,221 as at December 31, 2018, including interest to April 30, 2020, in accordance with the following table.

**Table 6.1: Refund of GA Variance**

Proposed Amounts	Proposed Method for Refund
\$227,972 refunded to customers who were Class B for the entire period from January 2018 to December 2018	per kWh rate rider
\$22,819 to customers formerly in Class B during the period January 2018 to June 2018 who were reclassified to Class A	12 equal installments <sup>14</sup>
\$3,430 to customers formerly in Class A during the period January to June 2018 who were reclassified to Class B	12 equal installments <sup>15</sup>

*b) Capacity Based Recovery Class B Sub-account*

The balance of the Group 1 accounts includes the Capacity Based Recovery (CBR) sub-account for Class B customers of a credit amount of \$33,564, relating to the IESO's wholesale energy market for the CBR program. The Entegrus – Main rate zone had Class A customers during the period from January 2018 to December 2018 but the CBR Class B rate riders calculated rounded to zero at the fourth decimal place in one or more of the rate classes. In this event, the entire Account 1580 sub-account CBR Class

<sup>14</sup> 2020 IRM Rate Generator Model, Tab 6.1a “GA Allocation”.

<sup>15</sup> Ibid.

B is added to the Account 1580 – Wholesale Market Service Charge control account to be disposed through the general purpose Group 1 Deferral and Variance Account.

c) *Group 1 Accounts*

The Group 1 accounts being sought for disposition (excluding global adjustment) include the following flow through variance accounts: Low Voltage Charges, Smart Meter Entity Charges, Wholesale Market Service Charges, Retail Transmission Service Charges, Commodity Power Charges, and Account 1595 residual balances. These Group 1 accounts have a total debit balance of \$1,503,241, which results in a charge to customers. This balance combined with the balance for the global adjustment account results in the total debit balance for Group 1 accounts of \$1,249,021.

In relation to the Account 1595 (2017) residual balance proposed for disposition, the applicant noted the following for the Entegrus - Main rate zone:

...a significant portion of the balance relates to Account 1589 Global Adjustment and the General Service > 50kW rate class. This is due to the transition of 17 General Service > 50kW customers from Class B to Class A effective July 1, 2017. During the time of the original balance accumulation, these customers would have contributed as Class B customers. However, due to their changeover to Class A status during the rate rider period, they did not receive the rate rider credit as anticipated.<sup>16</sup>

The applicant proposed a one-time bill credit of \$148,991 to the above customers related to this residual balance based on their actual usage from July 1, 2017 to April 30, 2018, multiplied by the OEB approved Rate Rider for Disposition of Global Adjustment Account (2017).

The applicant entered the above amount as a principal adjustment in the Rate Generator Model to facilitate this one-time credit. After this proposed one-time customer specific credit is completed, the residual balance would be a debit of \$35,379 as seen in Table 6.2 below.

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements*.<sup>17</sup>

In 2018, the OEB suspended its approvals of Group 1 rate riders on a final basis pending the development of further accounting guidance on commodity pass-through

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<sup>16</sup> EB-2019-0030, Application, Pages 14-15

<sup>17</sup> Electricity Reporting and Record Keeping Requirements, Version dated May 3, 2016.

variance accounts.<sup>18</sup> The OEB issued accounting guidance<sup>19</sup> on the commodity accounts on February 21, 2019. In this letter, the OEB indicated that it expects distributors to consider the accounting guidance in the context of historical balances that have not yet been disposed on a final basis. Distributors are expected to make any adjustments needed prior to filing for final disposition.

In its 2019 IRM proceeding, with regard to its Entegrus - Main rate zone, the applicant received approval to dispose of 2017 Group 1 balances on an interim basis. Entegrus Powerlines has reviewed the 2017 balances and the 2018 balances in the context of the new accounting guidance and stated that it is confident that there are no systemic issues in its RPP settlement and related accounting processes. As a result, the applicant requested final disposition of the 2017 and 2018 balances.

## Findings

The OEB approves the one-time bill credit as proposed by Entegrus Powerlines for the disposition of the portion of the residual balance in Account 1595 (2017) related to the GA that ought to have been credited to the 17 customers who transitioned to Class A on July 1, 2017. Going forward, the OEB expects that for customers that have transitioned from Class B to Class A, during the period in which the rate rider is in effect that any GA rate rider should continue to be in place until the sunset date of the rider even if they are no longer classified as Class B customers.

The OEB approves the disposition of a debit balance of \$1,249,021 as of December 31, 2018, including interest projected to April 30, 2020 for Group 1 accounts on a final basis. The OEB also approves, on a final basis, the December 31, 2017 Group 1 balances that were approved on an interim basis as part of Entegrus Powerlines' 2019 IRM proceeding.<sup>20</sup> Final disposition of these balances is warranted since Entegrus Powerlines was able to demonstrate that there were no adjustments to the 2017 balances from the implementation of the OEB's February 21, 2019 accounting guidance.

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

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<sup>18</sup> OEB letter to all rate-regulated licensed electricity distributors – “Re: OEB’s Plan to Standardize Processes to Improve Accuracy of Commodity Pass-Through Variance Accounts.” July 20, 2018.

<sup>19</sup> Accounting Procedures Handbook Update – Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589, February 21, 2019.

<sup>20</sup> EB-2018-0024

**Table 6.2: Group 1 Deferral and Variance Account Balances for the Entegrus – Main Rate Zone**

<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>
LV Variance Account	1550	166,578	3,571	170,149
Smart Meter Entity Variance Charge	1551	(37,666)	(1,469)	(39,134)
RSVA - Wholesale Market Service Charge	1580	(119,421)	1,005	(118,416)
RSVA - Retail Transmission Network Charge	1584	350,659	11,304	361,964
RSVA - Retail Transmission Connection Charge	1586	577,823	20,572	598,395
RSVA - Power	1588	473,683	21,222	494,905
RSVA - Global Adjustment	1589	(260,542)	6,321	(254,221)
Disposition and Recovery of Regulatory Balances (2017)	1595	95,020	(59,642)	35,379
<b>Totals for all Group 1 accounts</b>		1,246,136	2,885	1,249,021

The balance of each of the Group 1 accounts 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*.<sup>21</sup> 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. Entegrus Powerlines shall ensure these adjustments are included in the reporting period ending June 30, 2020 (Quarter 2).

<sup>21</sup> Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012.

The OEB approves these balances to be disposed through final rate riders, and payments as calculated in the Rate Generator Model. The final riders and payments will be in effect over a one-year period from May 1, 2020 to April 30, 2020.<sup>22</sup>

## (II) Entegrus - St. Thomas rate zone

The 2018 actual year-end total balance for the Entegrus Powerlines – St. Thomas' rate zone Group 1 accounts including interest projected to December 31, 2019 is a credit of \$1,738,383. This amount represents a total credit claim of \$0.0060 per kWh, which exceeds the disposition threshold and the utility requested disposition.

For the Entegrus Powerlines – St. Thomas rate zone, the applicant proposes the refund of its GA variance account balance of \$182,336 as at December 31, 2018, including interest to December 31, 2019, in accordance with the following table.

**Table 6.3: Refund of GA Variance**

Proposed Amounts	Proposed Method for Refund
\$113,193 refunded from customers who were Class B for the entire period from January 2015 to December 2018	per kWh rate rider
\$42,362 refunded to customers who transitioned from Class B to Class A at some point during the time period July 2016 to June 2018	12 equal installments <sup>23</sup>
\$26,782 refunded to customers who transitioned from Class A to Class B at some point during the time period July 2016 to December 2018 <sup>24</sup>	12 equal installments <sup>25</sup>

### a) Capacity Based Recovery Class B Sub-account

The Entegrus – St. Thomas rate zone had Class A customers during the period from January 2016 to December 2018 so it applied to have the balance of this account disposed through a separate kWh rate rider for Class B customers in order to ensure proper allocation between Class A and Class B customers.

<sup>22</sup> 2020 IRM Rate Generator Model Tab 6.1 GA, Tab 6.1a GA Allocation, Tab 6.2 CBR B, Tab 6.2a CBR B\_Allocation and Tab 7 Calculation of Def-Var RR.

<sup>23</sup> 2020 IRM Rate Generator Model, Tab 6.1a "GA Allocation".

<sup>24</sup> EB-2019-0030, Responses to OEB Staff Question #23, October 18, 2019

<sup>25</sup> 2020 IRM Rate Generator Model, Tab 6.1a "GA Allocation".

As some customers were reclassified between Class A and Class B during the period from January 2016 to December 2018, Entegrus Powerlines requested recovery of a portion of CBR Class B costs by way of 12 equal installments.<sup>26</sup>

*b) Group 1 Accounts*

The Group 1 accounts being sought for disposition (excluding global adjustment) include the following flow through variance accounts: Smart Meter Entity Charges, Wholesale Market Service Charges, Retail Transmission Service Charges, Commodity Power Charges, and Account 1595 residual balances. These Group 1 accounts have a total credit balance of \$1,556,047, which results in a refund to customers. This balance combined with the balance for the global adjustment account results in the total credit balance for Group 1 accounts of \$1,738,383.

*(c) 1595 (2014) Residual Balance*

Chapter 3 of the Filing Requirements provides that applicants are expected to request disposition of residual balances in Account 1595 sub-accounts for each vintage year only once, on a final basis and that no further transactions are expected to flow through the Account 1595 sub-accounts once the residual balance has been disposed.

For the Entegrus – St. Thomas rate zone, the applicant is requesting disposition of a residual debit balance in Account 1595 (2014) of \$204,591. OEB staff questioned why Entegrus Powerlines was requesting disposition of this account given that it was previously approved for disposition on a final basis as part of the former St. Thomas Energy Inc.'s (STEI) 2016 IRM application.<sup>27</sup>

Entegrus Powerlines noted that, in the former STEI 2015 cost of service application<sup>28</sup>, STEI was approved to change from a May 1 rate year to a January 1 rate year effective January 1, 2015.

STEI's 2016 IRM application disposed of the residual balance in Account 1595 (2014) at December 31, 2014 (cut-off date due to the change of the rate year).<sup>29</sup> Entegrus Powerlines noted that the date of transfer for the Account 1595 (2014) residual balance should have been transferred May 1, 2015 after the 2014 rate riders expired on April 30, 2015, rather than December 31, 2014 as was done by STEI.

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<sup>26</sup> 2020 IRM Rate Generator Model Tab 6.2a "CBR B\_Allocation".

<sup>27</sup> EB-2015-0102

<sup>28</sup> EB-2014-0113

<sup>29</sup> Previously, 2014 variance account balances were approved for disposition in STEI's 2014 IRM Application (EB-2013-0171). The disposition period for these rate riders was based on the original May rate year that was then in effect, and accordingly the approved rate rider period was May 1, 2014 to April 30, 2015.

This resulted in a partial disposition of Account 1595 (2014) balance at December 31, 2014, despite the fact that the rate riders had not yet fully run their course. Following the disposition of this sub-account, the remaining 2014 rate rider components continued to be applied to customers until the approved expiration date of April 30, 2015.

Entegrus Powerlines notes that going forward, management will ensure that all Entegrus - St. Thomas rate zone Account 1595 sub-accounts are properly accounted for and will not seek disposition of vintage Account 1595 sub-accounts previously provided.<sup>30</sup>

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements*.<sup>31</sup>

In 2018, the OEB suspended its approvals of Group 1 rate riders on a final basis pending the development of further accounting guidance on commodity pass-through variance accounts.<sup>32</sup> The OEB issued accounting guidance<sup>33</sup> on the commodity accounts on February 21, 2019. In this letter, the OEB indicated that it expects distributors to consider the accounting guidance in the context of historical balances that have not yet been disposed on a final basis. Distributors are expected to make any adjustments needed prior to filing for final disposition.

In its 2019 IRM rate application, Entegrus Powerlines sought to dispose the St. Thomas rate zone 2015-2017 Group 1 accounts.

Subsequently, Entegrus Powerlines noted that as a result of merger-related activities and staff turnover, it had encountered delays in preparing responses to OEB staff questions specific to its Account 1588, 1589 and 1595 balances. Entegrus Powerlines further noted that management had commenced conducting additional analysis but it would not be completed within the timelines of the current IRM process. Therefore, Entegrus Powerlines withdrew its request to dispose of its Group 1 variance account balances.

In the current application, Entegrus Powerlines requested to dispose the Group 1 account balances as at December 31, 2018 including interest as of December 31, 2019. Entegrus Powerlines stated that:

In late 2018, management re-performed the accounting of 2015-2018 St.

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<sup>30</sup> EB-2019-0030, Responses to OEB Staff Question #27, October 18, 2019

<sup>31</sup> Electricity Reporting and Record Keeping Requirements, Version dated May 3, 2016.

<sup>32</sup> OEB letter to all rate-regulated licensed electricity distributors – “Re: OEB’s Plan to Standardize Processes to Improve Accuracy of Commodity Pass-Through Variance Accounts.” July 20, 2018.

<sup>33</sup> Accounting Procedures Handbook Update – Accounting Guidance Related to Commodity Pass-Through Accounts 1588 & 1589, February 21, 2019.

Thomas variance account balances. The process involved the preparation of independent account reconciliations with the December 31, 2014 account balances (previously approved for disposition in EB-2015-0102) as the starting point. Using original source documents for 2015-2018, including IESO invoices, RPP settlements, generation settlements and CIS billed sales, management conducted account reconciliations of Account 1588 and 1589 to December 31, 2018.<sup>34</sup>

The re-performance process identified a number of adjusting entries and reclassification entries for Accounts 1588 and 1589 in order to post the correct entries into the correct periods for each account. For the period 2015 to 2018 accumulatively, the Global Adjustment Analysis Workform shows that the unresolved difference between the adjusted net change in principal balance in Account 1589 and the calculated expected variance in the account is within the OEB's 1% threshold.

Entegrus Powerlines confirmed that now there are no longer any systemic issues with its RPP settlement and the related accounting processes and requests final disposition of the balance of its St. Thomas rate zone 2018 group 1 accounts.

## Findings

The OEB approves the disposition of a credit balance of \$1,738,383 as of December 31, 2018, including interest projected to December 31, 2019 for Group 1 accounts on a final basis.

Included in this amount is the disposition of the previously over refunded amounts in Account 1595 (2014). While the OEB will approve the disposition in this case, the OEB cautions that this may not always be the outcome in the future as errors made by distributors in the use of account 1595 will be assessed on a case by case basis to determine an appropriate remedy, if any. Going forward, it is the OEB's expectation that Entegrus Powerlines will not seek disposition for vintage Account 1595 sub-accounts that were previously disposed and that it will follow the guidance provided in this regard.

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

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<sup>34</sup> EB-2019-0030, Application, Pages 30-31

**Table 6.4: Group 1 Deferral and Variance Account Balances for the Entegrus – St. Thomas Rate Zone**

<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	(34,008)	(1,458)	(35,466)
RSVA - Wholesale Market Service Charge	1580	(1,224,442)	(70,141)	(1,294,584)
Variance WMS - Sub-account CBR Class B	1580	61,688	4,009	65,697
RSVA - Retail Transmission Network Charge	1584	(171,362)	(11,702)	(183,064)
RSVA - Retail Transmission Connection Charge	1586	126,063	2,165	128,228
RSVA - Power	1588	(405,324)	(66,493)	(471,817)
RSVA - Global Adjustment	1589	(216,064)	33,728	(182,336)
Disposition and Recovery of Regulatory Balances (2014)	1595	190,383	14,208	204,591
Disposition and Recovery of Regulatory Balances (2015)	1595	8,443	3,387	11,830
Disposition and Recovery of Regulatory Balances (2016)	1595	14,877	3,661	18,538
<b>Totals for all Group 1 accounts</b>		<b>(1,649,746)</b>	<b>(88,637)</b>	<b>(1,738,383)</b>

The balance of each of the Group 1 accounts 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*.<sup>35</sup> 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. Entegrus Powerlines

<sup>35</sup> Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012.

shall ensure these adjustments are included in the reporting period ending March 31, 2020 (Quarter 1).

The OEB approves these balances to be disposed through final rate riders, charges, and payments as calculated in the Rate Generator Model. The final riders, charges, and payments will be in effect over a one-year period from January 1, 2020 to December 31, 2020.<sup>36</sup>

## **7 LOST REVENUE ADJUSTMENT MECHANISM VARIANCE ACCOUNT BALANCE**

In recent years, distributors have delivered conservation and demand management (CDM) programs to their customers through the Conservation First Framework (CFF), which began on January 1, 2015. These programs result in reduced total energy consumption. To address the impact of the reduced consumption, the OEB established a Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) to capture a distributor's revenue implications resulting from differences between actual savings and forecast conservation savings included in the last OEB-approved load forecast.<sup>37</sup> These differences are recorded by distributors at the rate class level.

On March 20, 2019, the CFF was revoked.<sup>38</sup> However, the OEB indicated that electricity distributors will continue to have access to a lost revenue adjustment mechanism for conservation program activities undertaken under the CFF.<sup>39</sup>

A distributor may apply for the disposition of the balance in the LRAMVA on an annual basis, as part of its IRM application, if the balance is deemed significant by the distributor.

### **(I) Entegrus Powerlines – Main Rate Zone**

Entegrus Powerlines has applied to dispose of a LRAMVA debit balance of \$250,679 for the Main rate zone. The balance consists of lost revenues in 2017 from CDM programs delivered during 2017 and carrying charges. The actual conservation savings claimed

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<sup>36</sup> 2020 IRM Rate Generator Model Tab 6.1 GA, Tab 6.1a GA Allocation, Tab 6.2 CBR B, Tab 6.2a CBR B\_Allocation and Tab 7 Calculation of Def-Var RR.

<sup>37</sup> Guidelines for Electricity Distributor Conservation and Demand Management, EB-2012-0003, April 26, 2012; and Requirement Guidelines for Electricity Distributors Conservation and Demand Management, EB-2014-0278, December 19, 2014.

<sup>38</sup> On March 20, 2019 the Minister of Energy, Northern Development and Mines issued separate Directives to the OEB and the IESO.

<sup>39</sup> Ontario Energy Board letter dated June 20, 2019.

for the Entegrus – Main rate zone were determined by the IESO.<sup>40</sup> For CDM programs delivered prior to 2018, the IESO provided LDCs with a Final Results Report that summarized all annual CDM results. Actual conservation savings were compared against the Entegrus – Main rate zone forecasted conservation savings of 7,138,571 kWh included in the load forecast, which was set out in Entegrus Powerlines' cost of service proceeding for 2016 rates (i.e. pre-amalgamation).<sup>41</sup>

## **(II) Entegrus Powerlines – St. Thomas Rate Zone**

Entegrus Powerlines has applied to dispose of a LRAMVA debit balance of \$84,062 for the St. Thomas rate zone. The balance consists of lost revenues in 2017 from CDM programs delivered during 2017 and carrying charges. The actual conservation savings claimed for the Entegrus– St. Thomas rate zone were determined by the IESO.<sup>42</sup> For CDM programs delivered prior to 2018, the IESO provided LDCs with a Final Results Report that summarized all annual CDM results. Actual conservation savings were compared against the Entegrus – St. Thomas rate zone's forecasted conservation savings of 4,067,000 kWh included in the load forecast, which was set out in St. Thomas Energy Inc.'s cost of service proceeding for 2015 rates (i.e. pre-amalgamation).<sup>43</sup>

## **Findings**

The OEB finds that Entegrus Powerlines' LRAMVA balances for both rate zones has been calculated in accordance with the OEB's CDM-related guidelines and updated LRAMVA policy. The OEB approves the disposition of Entegrus Powerlines' LRAMVA debit balance of \$334,740, as set out in Table 7.1 below.

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<sup>40</sup> For CDM programs delivered from 2015 to 2017, the IESO provided distributors with a Final Results Report that summarized all savings results. For 2018, distributors accessed the Participant and Cost Reports and detailed project level data from the IESO to support LRAMVA applications.

<sup>41</sup> EB-2015-0061, Decision and Order, March 17, 2016.

<sup>42</sup> For CDM programs delivered from 2015 to 2017, the IESO provided distributors with a Final Results Report that summarized all savings results. For 2018, distributors accessed the Participant and Cost Reports and detailed project level data from the IESO to support LRAMVA applications.

<sup>43</sup> EB-2014-0113, Decision and Order, November 27, 2014.

**Table 7.1 LRAMVA Balance for Disposition**

Account Name	Account Number	Actual CDM Savings (\$) A	Forecasted CDM Savings (\$) B	Carrying Charges (\$) C	Total Claim (\$) D=(A-B)+C
LRAMVA (Main Rate Zone)	1568	\$359,558.73	\$121,777.79	\$12,897.63	\$250,678.57
LRAMVA (St. Thomas Rate Zone)	1568	\$120,377.66	\$40,087.51	\$3,771.63	\$84,061.78
Total		\$479,936.39	\$161,865.30	\$16,669.26	\$334,740.35

## 8 IMPLEMENTATION AND ORDER

This Decision is accompanied by a Rate Generator Model, applicable supporting models, and a Tariff of Rates and Charges (Schedule A) for each of the rate zones.

Model entries were reviewed in order to ensure that they are in accordance with each of Entegrus Powerlines' and St. Thomas Energy Inc.'s last cost of service decision, and to ensure that the 2019 OEB-approved Tariff of Rates and Charges, as well as the cost, revenue and consumption results from 2018, are as reported by Entegrus Powerlines to the OEB.

The Rate Generator Model was adjusted, where applicable, to correct any discrepancies. The Rate Generator Model incorporates the rates set out in the following table.

**Table 8.1: Regulatory Charges**

Rate	per kWh
Rural or Remote Electricity Rate Protection (RRRP)	\$0.0005
Wholesale Market Service (WMS) billed to Class A and B Customers	\$0.0030
Capacity Based Recovery (CBR) billed to Class B Customers	\$0.0004

Each of these 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, WMS and CBR rates were set by the OEB on December 20, 2018.<sup>44</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 March 1, 2018.<sup>45</sup>

### **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 January 1, 2020 for the Entegrus - St. Thomas rate zone for electricity consumed or estimated to have been consumed on and after such date. Entegrus Powerlines Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new final rates.
2. The Tariff of Rates and Charges set out in Schedule B of this Decision and Rate Order is approved effective May 1, 2020 for the Entegrus - Main rate zone for electricity consumed or estimated to have been consumed on and after such date. Entegrus Powerlines Inc. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new final rates.

**DATED** at Toronto, December 12, 2019

### **ONTARIO ENERGY BOARD**

*Original signed by*

Christine E. Long  
Registrar and Board Secretary

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<sup>44</sup> Decision and Order, EB-2018-0294, December 20, 2018.

<sup>45</sup> Decision and Order, EB-2017-0290, March 1, 2018.

**Schedule A**

**To Decision and Rate Order**

**Tariff of Rates and Charges – St. Thomas Rate Zone**

**OEB File No: EB-2019-0030**

**DATED: December 12, 2019**

# Entegrus Powerlines Inc.

## For Former St. Thomas Energy Rate Zone

### TARIFF OF RATES AND CHARGES

**Effective and Implementation Date January 1, 2020**

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

EB-2019-0030

#### **RESIDENTIAL SERVICE CLASSIFICATION**

This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separately 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. Class B consumers are defined in 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	\$	27.26
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until December 31, 2020 Applicable only for Non-RPP Customers	\$/kWh	(0.0022)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020) - effective until December 31, 2020	\$/kWh	0.0003
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until December 31, 2020	\$/kWh	(0.0033)
Rate Rider for Disposition of Capacity Based Recovery Account (2020) - effective until December 31, 2020 Applicable only for Class B Customers	\$/kWh	0.0003
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0073
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0067

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

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

# Entegrus Powerlines Inc.

## For Former St. Thomas Energy Rate Zone

### TARIFF OF RATES AND CHARGES

**Effective and Implementation Date January 1, 2020**

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

EB-2019-0030

#### **GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION**

This classification refers to a non residential account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW. Class B consumers are defined in 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	\$	25.00
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0170
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until December 31, 2020 Applicable only for Non-RPP Customers	\$/kWh	(0.0022)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020) - effective until December 31, 2020	\$/kWh	0.0004
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until December 31, 2020	\$/kWh	(0.0039)
Rate Rider for Disposition of Capacity Based Recovery Account (2020) - effective until December 31, 2020 Applicable only for Class B Customers	\$/kWh	0.0003
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0073
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0061

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

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

# Entegrus Powerlines Inc.

## For Former St. Thomas Energy Rate Zone

### TARIFF OF RATES AND CHARGES

**Effective and Implementation Date January 1, 2020**

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

EB-2019-0030

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

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 50 kW but less than 5,000 kW. Class A and Class B consumers are defined in 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.

#### MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	77.89
Distribution Volumetric Rate	\$/kW	3.7290
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until December 31, 2020 Applicable only for Non-RPP Customers	\$/kWh	(0.0022)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020) - effective until December 31, 2020	\$/kW	0.0854
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until December 31, 2020 Applicable only for Non-Wholesale Market Participants	\$/kW	(2.4004)
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until December 31, 2020	\$/kW	(0.9850)
Rate Rider for Disposition of Capacity Based Recovery Account (2020) - effective until December 31, 2020 Applicable only for Class B Customers	\$/kW	0.1232
Retail Transmission Rate - Network Service Rate	\$/kW	2.9247
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.5138

#### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

# Entegrus Powerlines Inc.

## For Former St. Thomas Energy Rate Zone

### TARIFF OF RATES AND CHARGES

**Effective and Implementation Date January 1, 2020**

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

EB-2019-0030

#### SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for individual lighting on private property 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 in 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 (per connection)	\$	5.04
Distribution Volumetric Rate	\$/kW	6.0983
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until December 31, 2020 Applicable only for Non-RPP Customers	\$/kWh	(0.0020)
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until December 31, 2020	\$/kWh	(0.0060)
Rate Rider for Disposition of Capacity Based Recovery Account (2020) - effective until December 31, 2020 Applicable only for Class B Customers	\$/kWh	0.0003
Retail Transmission Rate - Network Service Rate	\$/kW	1.8383
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.5789

#### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

# Entegrus Powerlines Inc.

## For Former St. Thomas Energy Rate Zone

### TARIFF OF RATES AND CHARGES

**Effective and Implementation Date January 1, 2020**

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

EB-2019-0030

### STREET LIGHTING SERVICE CLASSIFICATION

This classification refers 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 shape template. Class B consumers are defined in 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 (per connection)	\$	3.85
Distribution Volumetric Rate	\$/kW	0.0376
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until December 31, 2020 Applicable only for Non-RPP Customers	\$/kWh	(0.0022)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020) - effective until December 31, 2020	\$/kW	0.0148
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until December 31, 2020	\$/kW	(3.3731)
Rate Rider for Disposition of Capacity Based Recovery Account (2020) - effective until December 31, 2020 Applicable only for Class B Customers	\$/kW	0.1054
Retail Transmission Rate - Network Service Rate	\$/kW	2.2552
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9383

### MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Entegrus Powerlines Inc.**  
**For Former St. Thomas Energy Rate Zone**  
**TARIFF OF RATES AND CHARGES**

**Effective and Implementation Date January 1, 2020**

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

EB-2019-0030

**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.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	10.00
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# Entegrus Powerlines Inc.

## For Former St. Thomas Energy Rate Zone

### TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2020

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

EB-2019-0030

#### ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	(1.00)

#### SPECIFIC SERVICE CHARGES

##### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the 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

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Pulling post dated cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement Letter	\$	15.00
Income tax letter	\$	15.00
Notification charge	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheque	\$	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 (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection at meter - during regular hours	\$	65.00
Reconnection at meter - after regular hours	\$	185.00
Reconnection at pole - during regular hours	\$	185.00
Reconnection at pole - after regular hours	\$	415.00

##### Other

Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	44.50
Disconnect/Reconnect at customer's request - at meter during regular hours	\$	65.00

# Entegrus Powerlines Inc.

## For Former St. Thomas Energy Rate Zone

### TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2020

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

EB-2019-0030

#### 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	\$	102.00
Monthly Fixed Charge, per retailer	\$	40.80
Monthly Variable Charge, per customer, per retailer	\$/cust.	1.02
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.61
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.61)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.51
Processing fee, per request, applied to the requesting party	\$	1.02
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)	\$	4.08
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)	\$	2.04

#### 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	1.0393
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0289

**Schedule B**

**To Decision and Rate Order**

**Tariff of Rates and Charges – Main Rate Zone**

**OEB File No: EB-2019-0030**

**DATED: December 12, 2019**

**Entegrus Powerlines Inc.**  
**For Entegrus-Main Rate Zone**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2020**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2019-0030

**RESIDENTIAL SERVICE CLASSIFICATION**

This classification applies to an account taking electricity at 750 volts or less and includes:

- 1) All services supplied to single-family dwelling units for domestic or household purposes,
- 2) All multi-unit residential establishments such as apartments of 6 or less units.
- 3) If a service supplies a combination of residential and commercial load and wiring does not permit separate metering, the classification of this customer will be determined individually by the distributor.

Class B consumers are defined in 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	\$	25.36
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Low Voltage Service Rate	\$/kWh	0.0017
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020) - effective until April 30, 2021	\$/kWh	0.0002
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kWh	0.0015
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0070
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0060

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Entegrus Powerlines Inc.**  
**For Entegrus-Main Rate Zone**  
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EB-2019-0030

**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 gross demand over a period of 12 consecutive months is less than, or is forecast to be less than, 50 kW and includes multi-unit residential establishments such as apartment buildings supplied through one service (bulk-metered) with greater than 6 units. Class B consumers are defined in 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 the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	31.84
Smart Metering Entity Charge - effective until December 31, 2022	\$	0.57
Distribution Volumetric Rate	\$/kWh	0.0105
Low Voltage Service Rate	\$/kWh	0.0015
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020) - effective until April 30, 2021	\$/kWh	0.0002
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kWh	0.0016
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0052

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Entegrus Powerlines Inc.**  
**For Entegrus-Main Rate Zone**  
**TARIFF OF RATES AND CHARGES**  
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EB-2019-0030

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

This classification applies to a non-residential account whose average monthly maximum gross demand over a period of 12 consecutive 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 customers are defined in 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 the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	103.24
Distribution Volumetric Rate	\$/kW	3.4194
Low Voltage Service Rate (see Note 1)	\$/kW	0.6201
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020) - effective until April 30, 2021	\$/kW	0.1172
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021 Applicable only for Non-Wholesale Market Participants	\$/kW	0.1531
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kW	0.4727
Retail Transmission Rate - Network Service Rate	\$/kW	2.6857
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 1)	\$/kW	2.2443

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Entegrus Powerlines Inc.**  
**For Entegrus-Main Rate Zone**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2020**  
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EB-2019-0030

**LARGE USE SERVICE CLASSIFICATION**

This classification applies to an account whose average monthly maximum gross demand over a period of 12 consecutive months is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW. Class A and Class B consumers are defined in 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.

**MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge	\$	1,575.42
Distribution Volumetric Rate	\$/kW	2.4059
Low Voltage Service Rate (see Note 1)	\$/kW	0.6818
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020) - effective until April 30, 2021	\$/kW	0.0122
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kW	0.3608
Retail Transmission Rate - Network Service Rate	\$/kW	2.8497
Retail Transmission Rate - Line and Transformation Connection Service Rate (see Note 1)	\$/kW	2.4675

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Entegrus Powerlines Inc.**  
**For Entegrus-Main Rate Zone**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2020**  
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EB-2019-0030

**UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION**

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/ documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Class B consumers are defined in 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	\$	8.52
Distribution Volumetric Rate	\$/kWh	0.0015
Low Voltage Service Rate	\$/kWh	0.0015
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kWh	0.0017
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0052

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Entegrus Powerlines Inc.**  
**For Entegrus-Main Rate Zone**  
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EB-2019-0030

**SENTINEL LIGHTING SERVICE CLASSIFICATION**

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light. Class B consumers are defined in 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	\$	7.75
Distribution Volumetric Rate	\$/kW	0.6945
Low Voltage Service Rate	\$/kW	0.4661
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kW	0.5964
Retail Transmission Rate - Network Service Rate	\$/kW	1.9729
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.6868

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Entegrus Powerlines Inc.**  
**For Entegrus-Main Rate Zone**  
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EB-2019-0030

**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. Class B consumers are defined in 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	\$	1.18
Distribution Volumetric Rate	\$/kW	0.9904
Low Voltage Service Rate	\$/kW	0.4552
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Rate Rider for Disposition of Lost Revenue Adjustment Mechanism Variance Account (LRAMVA) (2020) - effective until April 30, 2021	\$/kW	0.9252
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kW	0.5755
Retail Transmission Rate - Network Service Rate	\$/kW	1.9527
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.6475

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Entegrus Powerlines Inc.**  
**For Entegrus-Main Rate Zone**  
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EB-2019-0030

**EMBEDDED DISTRIBUTOR SERVICE CLASSIFICATION**

This classification applies to an electricity distributor licensed by the Ontario Energy Board that is provided electricity by means of this distributor's facilities. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the 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	\$	136.77
Low Voltage Service Rate	\$/kW	0.6201
Rate Rider for Disposition of Global Adjustment Account (2020) - effective until April 30, 2021 Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Rate Rider for Disposition of Deferral/Variance Accounts (2020) - effective until April 30, 2021	\$/kW	0.7521
Retail Transmission Rate - Network Service Rate	\$/kW	2.6857
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.2443

**MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0030
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0005
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

**Entegrus Powerlines Inc.**  
**For Entegrus-Main Rate Zone**  
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EB-2019-0030

**STANDBY POWER SERVICE CLASSIFICATION**

This classification refers to an account that has Load Displacement Generation and requires the distributor to provide backup service. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the 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**

General Service > 50 kW - for a customer whose facility is in the General Service > 50 kW rate class and for a month where actual demand is less than contracted demand. The charge is applied to the amount by which the amount of load transfer capacity contracted by a facility exceeds the actual demand.	\$/kW	3.4194
Large Use Standby Charge - for a customer whose facility is in the Large Use rate class and for a month where actual demand is less than contracted demand. The charge is applied to the amount by which the amount of load transfer capacity contracted by a facility exceeds the actual demand.	\$/kW	2.4059

**Entegrus Powerlines Inc.**  
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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.

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	\$	5.40
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**Entegrus Powerlines Inc.**  
**For Entegrus-Main Rate Zone**  
**TARIFF OF RATES AND CHARGES**  
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**ALLOWANCES**

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for Transformer Losses - applied to measured demand & energy	%	(1.00)

**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**

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Easement letter	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Account setup charge/change of occupancy charge	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00

**Non-Payment of Account**

Late payment - per month (effective annual rate 19.56% per annum or 0.04896% compounded daily rate)	%	1.50
Reconnection at meter - during regular hours	\$	65.00
Reconnection at meter - after regular hours	\$	185.00

**Other**

Temporary service install and remove - overhead - no transformer	\$	500.00
Temporary service install and remove - overhead - with transformer	\$	1,000.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	44.50
Switching for company maintenance - charge based on time and materials	\$	T&M

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**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	\$	102.00
Monthly fixed charge, per retailer	\$	40.80
Monthly variable charge, per customer, per retailer	\$/cust.	1.02
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.61
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.61)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.51
Processing fee, per request, applied to the requesting party	\$	1.02
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)	\$	4.08
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)	\$	2.04

**LOSS FACTORS**

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0432
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0149
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0328
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0049

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**NOTES**

1) The Billing Demand for Line and Transformation Connection Services and Low Voltage Services is defined as the Non-Coincident Peak demand (MW) in any hour of the month. The customer demand in any hour is the sum of (a) the loss adjusted demand supplied from the distribution system plus (b) the demand that is supplied by embedded generation installed after October 1998, which have installed capacity of 2MW or more for renewable generation and 1 MW or higher for non-renewable generation. The term renewable generation refers to a facility that generates electricity from the following sources: wind, solar, Biomass, Bio-oil, Bio-gas, landfill gas, or water. The demand supplied by embedded generation will not be adjusted for losses.