



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

DECISION AND RATE ORDER

EB-2017-0052

HYDRO OTTAWA LIMITED

**Application for an order approving just and reasonable rates
and other charges for electricity distribution to be effective
January 1, 2018.**

By Delegation, Before: Theodore Antonopoulos

December 14, 2017

1 INTRODUCTION AND SUMMARY

Through this Decision and Order, the Ontario Energy Board (OEB) approves the 2018 Custom Incentive Rate-setting (Custom IR) – Year 3 Update application filed by Hydro Ottawa Limited (Hydro Ottawa) on August 14, 2017, as amended during the course of the proceeding.

Hydro Ottawa serves approximately 328,000 customers in the City of Ottawa and the Village of Casselman. 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.

Commencing with 2016 rates, Hydro Ottawa selected the Custom IR option that has a five-year term. In Hydro Ottawa's case, the OEB accepted a partial settlement on December 22, 2015 (the approved settlement) that included a five year Custom IR framework which covers the years 2016 to 2020.¹ As part of that proceeding, the OEB issued a final rate order establishing the rates for 2016. Rates for subsequent years are to be adjusted mechanistically through a custom price cap adjustment formula for Operations, Maintenance and Administration (OM&A) costs (involving an adjustment for inflation, and the OEB's assessment of the distributor's efficiency) and a pre-approved capital investment forecast for years two through five of the Custom IR term coupled with an asymmetrical variance account in the favour of ratepayers. This is referred to in section four of this decision as the Base Rate Adjustment.

On February 25, 2016, the OEB issued a Decision and Rate Order on the Pole Attachment Charge (Pole Attachment Decision). The OEB approved a pole attachment charge of \$53 per pole per year effective January 1, 2016. As part of the approved settlement, in the event that the final approved pole attachment revenues are a different amount, the distribution rates will be adjusted by an equal amount so that the service revenue requirement for each year is unchanged.

The key components of the Custom IR framework are listed below:

- Capital spending and operating expenses have been set for a five-year period (2016 to 2020), pursuant to specific adjustments as described above
- an asymmetrical Earnings Sharing Mechanism (ESM) with no dead band
- an efficiency adjustment if Hydro Ottawa's efficiency ranking declines during the Custom IR term

¹ Decision and Rate Order, EB-2015-0004, December 22, 2015

- No adjustment to loss factors and the Working Capital Allowance for the term of the plan
- No adjustments to Cost of Capital for 2016 to 2018 rates inclusive and thereafter adjusted as per the approved settlement
- Annual updates to Low Voltage and Retail Transmission Service Rates

As part of Hydro Ottawa's approved Custom IR, Hydro Ottawa was required to file applications annually to implement the OEB's approval of that framework for the years following the initial decision along with certain other adjustments that include pass-through costs (i.e. costs for which Hydro Ottawa does not charge a mark-up) such as those that are incurred by Hydro Ottawa for settling with the Independent Electricity System Operator (IESO) on behalf of its customers.

As a result of the OEB's findings in this Decision, there will be a monthly bill increase of \$1.13 for a residential customer consuming 750 kWh, effective January 1, 2018.

Hydro Ottawa has also applied to change the composition of its distribution service rates. Residential distribution service rates currently include a fixed monthly charge and a variable usage charge. In 2015, the OEB issued a policy to transition these rates to a fully fixed structure over a four-year period beginning in 2016.² Accordingly, the fixed monthly charge for 2018 has once again been adjusted upward in this Decision by more than the mechanistic adjustment alone. The variable usage rate is commensurately lower. This policy change does not affect the total revenue distributors collect from residential customers.

2 THE PROCESS

The OEB follows a streamlined process for Custom IR update applications. Applications of this nature may be decided by either a panel of Board Members or it may be delegated to OEB staff, depending on the complexity of the application.

After an initial review of the application, the OEB determined that the application is largely mechanistic in nature with respect to the adjustments contemplated. Therefore, this Decision is being issued by delegated authority, without a hearing, under section 6 of the *Ontario Energy Board Act, 1998* (the OEB Act).

Under this type of process, the application is reviewed by OEB staff to verify whether the requested adjustments are consistent with the approved Custom IR application. This

² Board Policy - "A New Distribution Rate Design for Residential Electricity Customers", EB-2012-0410, April 2, 2015

includes but is not limited to updates or adjustments defined in the OEB's decision on the original Custom IR application.

Hydro Ottawa filed its application on August 14, 2017 supported by written evidence and completed rate models. Questions were asked of, and answers were provided by, Hydro Ottawa through emails and phone calls with the OEB. Based on this information, a decision was drafted and provided to Hydro Ottawa on December 6, 2017. Hydro Ottawa was given opportunity to provide its comments on the draft for consideration prior to the OEB issuing this Decision.

3 ORGANIZATION OF THE DECISION

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

- Base Rate Adjustment
- Low Voltage Charges
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Cost Allocation
- Residential Rate Design
- Retail Service Charges
- Specific Service Charges

The last section addresses the steps to implement the final rates that flow from this Decision.

4 BASE RATE ADJUSTMENT

Hydro Ottawa's base rates are made up of a monthly fixed charge and a monthly variable charge. Both charges recover Hydro Ottawa's OM&A and capital costs. As part of the approved settlement, the base for the five-year custom price cap adjustment formula for recoverable OM&A was set at \$83,105,564 for 2016. The 2017 and 2018 period would be increased by a 1.91% escalator on a compound basis. The escalator was determined by starting with a 2.07% inflation factor, adjusted by +0.14% growth factor, and further adjusted by a -0.3% productivity/stretch factor. The amount of recoverable OM&A was preapproved at \$86.3M for 2018.

In addition, Hydro Ottawa adjusted the base revenues for the final approved pole attachment decision described above.

Findings

The OM&A, capital and revenue offset amounts included in Hydro Ottawa's 2018 revenue requirement and accordingly, its base rates, have been adjusted as per the approved settlement and are approved.

Hydro Ottawa did not report a balance in the Revenue Requirement Differential Variance Account related to capital additions as Hydro Ottawa spent more than planned in its capital spending categories³ in 2016. Hydro Ottawa did not report any amounts in the Earnings Sharing Mechanism Variance Account as any over earnings for 2016 as defined by the settlement agreement would be recorded in 2017. Hydro Ottawa's efficiency ranking as determined by the OEB for 2017 rates changed from Group III to Group IV.⁴ This efficiency ranking result will affect the 2017 revenue requirement. The impact would be recorded in a variance account during the 2017 year and disposed at the end of the term. However, the OEB established the expectation that Hydro Ottawa would report on any results in its 2018 rate application. Hydro Ottawa has not done so but the OEB expects Hydro Ottawa to report on any impacts affecting its established deferral or variance accounts in its 2019 application.

5 LOW VOLTAGE CHARGES

As part of the approved settlement, Hydro Ottawa's Low Voltage (LV) rates are to be updated annually. Hydro Ottawa pays charges to Hydro One Networks Inc. (Hydro One) for a number of Shared Distribution Stations, Specific Lines and Shared Lines. Hydro Ottawa has used its 2017 LV forecast of \$426,000, excluding rate riders for LV, in the calculations of the LV charges for the customer classes. Hydro Ottawa has proposed to allocate the charges to the customer classes based on the class percentage of Retail Transmission Connection dollars (using 2018 proposed rates). The resulting LV charges are shown in the table below.

³ System Renewal/System Service, System Access, and General Plant categories as stated in Accounting Order, EB-2015-0004

⁴ "Empirical Research in Support of Incentive Rate-Setting: 2015 Benchmarking Update – Report to the Ontario Energy Board", July 2016

Table 5.1: Proposed LV Charges

Class	Per	2017 LV Charge	2018 LV Charge
Residential	kWh	\$0.00007	\$0.00006
General Service < 50 kW	kWh	\$0.00007	\$0.00006
General Service 50 to 1,499 kW	kW	\$0.02632	\$0.02399
General Service 1,500 to 4,000 kW	kW	\$0.02813	\$0.02564
Large Use (> 5,000 kW)	kW	\$0.03168	\$0.02887
Unmetered Scattered Load	kWh	\$0.00007	\$0.00006
Sentinel Lights	kW	\$0.01955	\$0.01782
Street Lighting	kW	\$0.01996	\$0.01819

Findings

The updated LV charges included in Hydro Ottawa's 2018 application have been calculated and allocated in accordance with the approved methodology and are approved.

6 RETAIL TRANSMISSION SERVICE RATES

Distributors charge retail transmission service rates (RTSRs) to their customers to recover the amounts they pay to a transmitter, a host distributor or both for transmission services. All transmitters charge Uniform Transmission Rates (UTRs) approved by the OEB to distributors connected to the transmission system. Host distributors charge RTSRs to distributors embedded within the host's distribution system.

Hydro Ottawa is transmission connected, partially embedded within Hydro One's distribution system, and 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 6.1 and Table 6.2.

Table 6.1: Hydro One Networks Inc. UTRs⁵

Current Applicable UTRs (2017)	per kWh
Network Service Rate	\$3.52
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.88
Transformation Connection Service Rate	\$2.13

Table 6.2: Hydro One Networks Inc. Sub-Transmission RTSRs⁶

Current Applicable Sub-Transmission RTSRs (2017)	per kWh
Network Service Rate	\$3.19
<u>Connection Service Rates</u>	
Line Connection Service Rate	\$0.77
Transformation Connection Service Rate	\$1.75

Findings

Hydro Ottawa's proposed adjustment to its RTSRs is approved. The RTSRs were adjusted based on the current UTRs and host-RTSRs.

The differences resulting from the approval of new 2018 UTRs or RTSRs will be captured in Accounts 1584 and 1586 for future disposition.

7 GROUP 1 DEFERRAL AND VARIANCE ACCOUNTS

In each year of a Custom IR update term, the OEB will review a distributor's Group 1 deferral and variance accounts in order to determine whether their total balance should

⁵ Decision and Order, EB-2017-0280, November 23, 2017

⁶ Decision and Order, EB-2016-0081, December 21, 2016

be disposed.⁷ 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.⁸ If the balance does not exceed the threshold, a distributor may elect to request disposition.

The 2016 actual year-end total balance for Hydro Ottawa's Group 1 accounts including interest projected to December 31, 2017 is a credit of \$12,038,376. This amount represents a total credit claim of \$0.0016 per kWh, which exceeds the disposition threshold. Hydro Ottawa proposes the disposition of this credit amount over a one-year period.

Included in the balance of the Group 1 accounts is the Global Adjustment (GA) account credit balance of \$2,772,156. A customer's costs for the commodity portion of its electricity service reflects the sum of two charges: the price of electricity established by the operation of the IESO administered wholesale market, and the GA.⁹

The GA is paid by consumers in several different ways:

- For Regulated Price Plan (RPP) customers, the GA is incorporated into the standard commodity rates, therefore there is no variance account for the GA.
- Customers who participate in the Ontario Industrial Conservation Initiative program are referred to as "Class A" customers. These customers are assessed GA costs through a peak demand factor that is based on the percentage their demand contributes to the top five Ontario system peaks. This factor determines a Class A customer's allocation for a year-long billing period that starts in July every year. As distributors settle with Class A customers based on the actual GA costs there is no resulting variance.
- "Class B" non-RPP customers pay the GA charge based on the amount of electricity they consume in a month (kWh). Class B non-RPP customers are billed GA based on an IESO published GA price. For Class B non-RPP customers, distributors track any difference between the billed amounts and actual costs in the GA Variance Account for disposal, once audited.

⁷ 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.

⁸ "Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR)" EB-2008-0046, July 31, 2009

⁹ The GA is established monthly, by the IESO, and varies in accordance with market conditions. It is the difference between the market price and the sum of the rates paid to regulated and contracted generators and conservation and demand management (demand response) program costs.

Under the general principle of cost causality, customer groups that cause variances should be responsible for paying (or receiving credits) for their disposal. The movement from one class to another should not prevent identifiable customers from paying down/receiving a debit/credit balance.

Hydro Ottawa proposes the recovery of its GA variance account credit balance of \$2,772,156 as at December 31, 2016, including interest to December 31, 2017, in accordance with Table 7.1:

Table 7.1: Recovery of GA Variance

Proposed Amounts	Proposed Method for Recovery
\$2,747,910 returned to customers who were Class B for the entire period from January 2016 to December 2016	per kWh rate rider
\$24,247 returned to customers formely in Class B during the period January 2016 to June 2016 who were reclassified to Class A	one-time bill adjustment ¹⁰

The balance of the Group 1 accounts includes a credit balance of \$358,621 for the recovery of Capacity Based Recovery (CBR) charges for Class B customers related to the IESO's wholesale energy market Demand Response 3 program. Distributors paid CBR charges to the IESO in 2016 and recorded these to a dedicated sub-account. The disposition of this sub-account is impacted by whether or not a distributor had any customers who were part of Class A during the period from January 2016 to December 2016.

Hydro Ottawa had Class A customers during the period from January 2016 to December 2016 so the balance of this account should be disposed through a separate kWh rate rider for Class B customers in order to ensure proper allocation between Class A and Class B customers. Hydro Ottawa advised the OEB that the CBR Class B rate rider calculated in the Deferral and Variance Work Form is less than four decimals, but when rounded up it would produce a four digit rate rider. However, Hydro Ottawa notes that rounding the rate rider from \$0.000052/kWh to \$0.0001/kWh results in providing almost twice (1.9 times) the amount to be disposed. This would result in producing a variance of almost the same amount to be collected from customers. Therefore, Hydro Ottawa proposes to transfer the total credit balance of \$358,621 into Account 1595 (2018) to be refunded at a later date.

¹⁰ 2018 Deferral and Variance Account Work Form, Tab 5.2 "GA Allocation"

The remaining Group 1 accounts being sought for disposition, through the general Deferral and Variance Account rate rider, 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. These Group 1 accounts have a credit balance of \$8,907,599, which results in a refund to customers.

The balances proposed for disposition reconcile with the amounts reported as part of the OEB's *Electricity Reporting and Record-Keeping Requirements*.¹¹ Hydro Ottawa further notes that its proposal for a one-year disposition period is in accordance with the OEB's policy.¹²

Findings

The OEB approves the disposition of a credit balance of \$12,038,376 as of December 31, 2016, including interest projected to December 31, 2017 for Group 1 accounts.

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

¹¹ "Electricity Reporting and Record Keeping Requirements", Version dated May 3, 2016

¹² Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (EDDVAR), EB-2008-0046, July 31, 2009

Table 7.2: Group 1 Deferral and Variance Account Balances

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
LV Variance Account	1550	(302,419)	(4,560)	(306,979)
Smart Meter Entity Variance Charge	1551	(96,084)	(1,559)	(97,643)
RSVA - Wholesale Market Service Charge	1580	(7,002,178)	(270,597)	(7,272,775)
Variance WMS - Sub-account CBR Class B	1580	(351,426)	(7,195)	(358,621)
RSVA - Retail Transmission Network Charge	1584	9,935	(850)	9,085
RSVA - Retail Transmission Connection Charge	1586	(2,572,072)	(40,867)	(2,612,939)
RSVA – Power	1588	1,333,538	40,116	1,373,653
RSVA - Global Adjustment	1589	(2,752,700)	(19,457)	(2,772,156)
Totals for all Group 1 accounts		(11,196,174)	(842,202)	(12,038,376)

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*.¹³ 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. Hydro Ottawa shall ensure these adjustments are included in the reporting period ending March 31, 2018 (Quarter 1).

The OEB approves these balances to be disposed through rate riders and payments as calculated in the Deferral and Variance Account Work Form. The rate riders and payments will be in effect over a one-year period from January 1, 2018 to December 31,

¹³ Accounting Procedures Handbook for Electricity Distributors, effective January 1, 2012

2018.¹⁴ The OEB also approves Hydro Ottawa's proposal to transfer the credit balance of \$358,621 from Account 1580 Sub-account CBR Class B into Account 1595 (2018) to be recovered at a later time.

8 COST ALLOCATION

As part of the approved settlement agreement, Hydro Ottawa's Cost Allocation models and customer class revenue to cost ratio ranges were approved, with the modification that the Sentinel Lighting class would transition to the OEB's approved revenue to cost ratio range by 2020. As part of this application, Hydro Ottawa's proposed rates are based on the continued transitioning of the Sentinel Lighting class to the OEB-approved revenue to cost ratio range by 2020, as shown in the Table 8.1. The miscellaneous revenue in the 2018 Cost Allocation Model, filed as part of the approved settlement, has been updated in this application as per the Pole Attachment Decision.

Table 8.1 – Proposed Revenue to Cost (R/C) Ranges

Class	2017 Approved R/C	2018 Status Quo R/C	2018 Adjusted R/C	Policy Range %
Residential	103.29%	104.11%	103.90%	85 - 115
GS < 50 kW	118.51%	118.62%	118.38%	80 - 120
GS > 50 to 1,499 kW	87.11%	86.58%	86.58%	80 - 120
GS > 1,500 to 4,999 kW	101.72%	100.01%	99.80%	80 - 120
Large Use	87.21%	86.09%	86.09%	85 - 115
Street Lighting	80.00%	61.51%	80.00%	80 - 120
Sentinel Lighting	64.21%	62.09%	71.00%	80 - 120
Unmetered Scattered Load	118.89%	124.57%	118.80%	80 - 120
Standby Power	21.95%	21.43%	21.43%	

Findings

The OEB approves Hydro Ottawa's proposal to adjust the revenue to cost ratios.

¹⁴ 2018 Deferral and Variance Account Work Form, Tab 5.2 "GA Allocation" and Tab 6 "Rate Rider Calculations"

9 RESIDENTIAL RATE DESIGN

All residential distribution rates currently include a fixed monthly charge and a variable usage charge. The OEB's residential rate design policy stipulates that distributors will transition residential customers to a fully fixed monthly distribution service charge over a four-year period, beginning in 2016.¹⁵ The OEB requires that distributors filing applications affecting 2018 rates continue with this transition by once again adjusting their distribution rates to increase the fixed monthly service charge and decrease the variable charge consistent with the policy.

The OEB expects an applicant to apply two tests to evaluate whether mitigation of bill impacts for customers is required during the transition period. Mitigation usually takes the form of a lengthening of the transition period. The first test is to calculate the change in the monthly fixed charge, and to consider mitigation if it exceeds \$4. The second is to calculate the total bill impact of the proposals in the application for low volume residential customers (defined as those residential RPP customers whose consumption is at the 10th percentile for the class). Mitigation may be required if the bill impact related to the application exceeds 10% for these customers.

As part of the approved settlement, for Hydro Ottawa's residential class, the distribution rates will be fully fixed by 2020. Hydro Ottawa notes that the implementation of the transition results in an increase to the fixed charge prior to the price cap adjustment of \$3.17. The bill impacts arising from the proposals in this application, including the fixed rate change, are below 10% for low volume residential customers.

Findings

The OEB finds that the proposed 2018 increase to the monthly fixed charge is calculated in accordance with the OEB's residential rate design policy. The results of the monthly fixed charge, and total bill impact for low consumption residential consumers show that no mitigation is required. The OEB approves the increase as proposed by the applicant and calculated in the final rate model.

10 RETAIL SERVICE CHARGES

As part of the approved settlement, the proposed retail service charges, over the 2016 – 2020 period were agreed upon. The 2016 to 2018 charges are shown in Table 10.1 below.

¹⁵ As outlined in the Report cited at footnote 1 above.

Table 10.1 – Retail Service Charges

	2016	2017	2018
Monthly Fixed Charge	24.00	25.00	26.00
Standard Charge	117.00	122.00	129.00
Monthly Variable Charge	0.60	0.60	0.65
Distributor Consolidated Billing Charge	0.35	0.35	0.40
Retailer Consolidated Billing Credit	(0.35)	(0.35)	(0.40)
STR Process	0.60	0.60	0.65
STR Request	0.30	0.30	0.30

Findings

The OEB approves the 2018 Retail Service Charges as per the approved settlement agreement.

11 SPECIFIC SERVICE CHARGES

In the approved settlement, the service charges shown in the table below will be increased as part of this application. All other service charges will remain at the 2016 approved rates.

Table 11.1 Summary of Revised Specific Service Charges

	2016	2017	2018
Specific Billing Service, per hour	\$ 95.00	\$ 97.00	\$ 100.00
Interval Meter - Field Reading	\$ 347.00	\$ 355.00	\$ 362.00
High Bill Investigation - If Billing is Correct	\$ 213.00	\$ 218.00	\$ 222.00
Temporary Service Install & Remove: Overhead - No Transformer	\$ 797.00	\$ 813.00	\$ 830.00
Temporary Service Install & Remove: Underground - No Transformer	\$ 1,156.00	\$ 1,180.00	\$ 1,205.00
Temporary Service Install & Remove: With Transformer	\$ 2,840.00	\$ 2,900.00	\$ 2,961.00
Energy Resource Facility Administration Charge - Without Account Set Up (One Time)	\$ 127.00	\$ 130.00	\$ 133.00
Energy Resource Facility Administration Charge - With Account Set Up (One Time)	\$ 157.00	\$ 160.00	\$ 163.00

In addition, as per the approved settlement, Hydro Ottawa has adjusted the Dry Core charges to reflect any related changes in the Regulated Price Plan and Hydro One rates and will continue to do this on an annual basis for the remaining years of the Custom IR plan. Table 11.2 below lists Hydro Ottawa's updated 2018 Dry Core charges.

Table 11.2 Dry Core Transformer Charges

Transformers	No Load Loss (W)	Load Loss (W)	Cost of Transmission and LV per kW	Cost of Energy and Wholesale Market per kWh**	Total Monthly cost of power	Cost of Distribution per kW	Total
Rates			\$ 5.0249	\$ 0.0943		\$ 4.2374	
25 KVA 1 PH, 1.2kV BIL	150	900	\$ 0.81	\$ 8.57	\$ 9.38	\$ 0.68	\$ 10.06
37.5 KVA 1 PH, 1.2kV BIL	200	1200	\$ 1.08	\$ 11.43	\$ 12.51	\$ 0.91	\$ 13.42
50 KVA 1 PH, 1.2kV BIL	250	1600	\$ 1.37	\$ 14.38	\$ 15.75	\$ 1.16	\$ 16.91
75 KVA 1 PH, 1.2kV BIL	350	1900	\$ 1.83	\$ 19.82	\$ 21.65	\$ 1.54	\$ 23.20
100 KVA 1 PH, 1.2kV BIL	400	2600	\$ 2.21	\$ 23.05	\$ 25.25	\$ 1.86	\$ 27.12
150 KVA 1 PH, 1.2kV BIL	525	3500	\$ 2.92	\$ 30.33	\$ 33.25	\$ 2.46	\$ 35.71
167 KVA 1 PH, 1.2kV BIL	650	4400	\$ 3.63	\$ 37.61	\$ 41.25	\$ 3.06	\$ 44.31
200 KVA 1 PH, 1.2kV BIL	696	4700	\$ 3.89	\$ 40.26	\$ 44.15	\$ 3.28	\$ 47.43
225 KVA 1 PH, 1.2kV BIL	748	5050	\$ 4.18	\$ 43.27	\$ 47.45	\$ 3.52	\$ 50.97
250 KVA 1 PH, 1.2kV BIL	800	5400	\$ 4.47	\$ 46.28	\$ 50.75	\$ 3.77	\$ 54.51
*15 KVA 3 PH, 1.2kV BIL	125	650	\$ 0.65	\$ 7.05	\$ 7.70	\$ 0.54	\$ 8.24
*45 KVA 3 PH, 1.2kV BIL	300	1800	\$ 1.61	\$ 17.15	\$ 18.76	\$ 1.36	\$ 20.12
*75 KVA 3 PH, 1.2kV BIL	400	2400	\$ 2.15	\$ 22.86	\$ 25.02	\$ 1.82	\$ 26.83
*112.5 KVA 3 PH, 1.2kV BIL	600	3400	\$ 3.18	\$ 34.11	\$ 37.29	\$ 2.68	\$ 39.97
*150 KVA 3 PH, 1.2kV BIL	700	4500	\$ 3.85	\$ 40.29	\$ 44.14	\$ 3.25	\$ 47.38
*225 KVA 3 PH, 1.2kV BIL	900	5300	\$ 4.82	\$ 51.35	\$ 56.17	\$ 4.06	\$ 60.23
*300 KVA 3 PH, 1.2kV BIL	1100	6300	\$ 5.84	\$ 62.60	\$ 68.44	\$ 4.93	\$ 73.37
*500 KVA 3 PH, 95kV BIL	2400	7600	\$ 11.09	\$ 130.94	\$ 142.03	\$ 9.35	\$ 151.38
*750 KVA 3 PH, 95kV BIL	3000	12000	\$ 14.53	\$ 165.97	\$ 180.50	\$ 12.26	\$ 192.76
*1000 KVA 3 PH, 95kV BIL	3400	13000	\$ 16.31	\$ 187.55	\$ 203.86	\$ 13.76	\$ 217.61
*1500 KVA 3 PH, 95kV BIL	4500	18000	\$ 21.80	\$ 248.95	\$ 270.76	\$ 18.39	\$ 289.14
*2000 KVA 3 PH, 95kV BIL	5400	21000	\$ 26.00	\$ 298.19	\$ 324.19	\$ 21.93	\$ 346.12
*2500 KVA 3 PH, 95kV BIL	6500	25000	\$ 31.22	\$ 358.68	\$ 389.90	\$ 26.33	\$ 416.23
*3000 KVA 3PH, 95kV BIL	7700	29000	\$ 36.82	\$ 424.33	\$ 461.16	\$ 31.05	\$ 492.21
*3750 KVA 3PH, 95kV BIL	9500	35000	\$ 45.22	\$ 522.81	\$ 568.03	\$ 38.13	\$ 606.17
*5000 KVA 3PH, 95kV BIL	11000	39000	\$ 51.95	\$ 603.96	\$ 655.91	\$ 43.81	\$ 699.72

Findings

The OEB approves the 2018 Specific Service Charges including Dry Core charges as per the approved settlement.

12 IMPLEMENTATION AND ORDER

This Decision is accompanied by a Deferral and Variance Account Work Form, applicable supporting models, and a Tariff of Rates and Charges (Schedule A).

Model entries were reviewed in order to ensure that they are in accordance with Hydro Ottawa's original Custom IR decision, and to ensure that the 2017 OEB-approved Tariff of Rates and Charges, as well as the cost, revenue and consumption results from 2016, are as reported by Hydro Ottawa to the OEB.

The rate models were adjusted, where applicable, to correct any discrepancies. The Tariff Schedule and Bill Impacts Model incorporates the rates set out in the following table.

Table 12.1: Regulatory Charges

Rate	per kWh
Rural or Remote Electricity Rate Protection (RRRP)	\$0.0003
Wholesale Market Service (WMS) billed to Class A and B Customers	\$0.0032
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 rate was set by the OEB on June 22, 2017.¹⁶ The WMS and CBR rates were set by the OEB on December 15, 2016.¹⁷

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, 2018 for electricity consumed or estimated to have been consumed on and after such date. Hydro Ottawa Limited shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

¹⁶ Decision and Order, EB-2017-0234, June 22, 2017

¹⁷ Decision and Order, EB-2016-0362, December 15, 2016

DATED at Toronto, December 14, 2017

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

Schedule A

To Decision and Rate Order

Tariff of Rates and Charges

OEB File No: EB-2017-0052

DATED: December 14, 2017

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2018
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2017-0052

RESIDENTIAL SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 120/240 volts single phase 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, triple 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	\$	20.51
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0105
Low Voltage Service Rate	\$/kWh	0.00006
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 - Applicable only for Non-RPP Customers	\$/kWh	(0.0007)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kWh	(0.0004)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018 - Applicable only for Non-Wholesale Market Participants	\$/kWh	(0.0008)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0072
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0049

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2018
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2017-0052

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts 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 Board approval, such as the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	18.60
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0238
Low Voltage Service Rate	\$/kWh	0.00006
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 - Applicable only for Non-RPP Customers	\$/kWh	(0.0007)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kWh	(0.0004)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018 - Applicable only for Non-Wholesale Market Participants	\$/kWh	(0.0008)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2018
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EB-2017-0052

GENERAL SERVICE 50 TO 1,499 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts 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 1,500 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.

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	\$	200.00
Distribution Volumetric Rate	\$/kW	4.5851
Low Voltage Service Rate	\$/kW	0.02399
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 - Applicable only for Non-RPP Customers	\$/kWh	(0.0007)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kW	(0.1665)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018 - Applicable only for Non-Wholesale Market Participants	\$/kW	(0.3381)
Retail Transmission Rate - Network Service Rate	\$/kW	2.7422
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.9101

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2018
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EB-2017-0052

GENERAL SERVICE 1,500 TO 4,999 KW SERVICE CLASSIFICATION

This classification refers to non residential accounts whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 1,500 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 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.

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	\$	4,193.93
Distribution Volumetric Rate	\$/kW	4.1834
Low Voltage Service Rate	\$/kW	0.02564
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 - Applicable only for Non-RPP Customers	\$/kWh	(0.0007)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kW	(0.1847)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018 - Applicable only for Non-Wholesale Market Participants	\$/kW	(0.3761)
Retail Transmission Rate - Network Service Rate	\$/kW	2.8472
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.0414

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2018
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EB-2017-0052

LARGE USE SERVICE CLASSIFICATION

This classification refers to an account whose monthly average peak demand 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 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.

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	\$	15,231.32
Distribution Volumetric Rate	\$/kW	3.9710
Low Voltage Service Rate	\$/kW	0.02887
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 - Applicable only for Non-RPP Customers	\$/kWh	(0.0007)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kW	(0.2185)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018 - Applicable only for Non-Wholesale Market Participants	\$/kW	(0.4451)
Retail Transmission Rate - Network Service Rate	\$/kW	3.1563
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	2.2989

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2018
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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification includes accounts taking electricity at 120/240 volts single phase whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. These connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. Class B consumers are defined in accordance with O. Reg. 429/04. Qualification for this classification is at the discretion of Hydro Ottawa as defined in its 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)	\$	4.83
Distribution Volumetric Rate	\$/kWh	0.0235
Low Voltage Service Rate	\$/kWh	0.00006
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kWh	(0.0004)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018 - Applicable only for Non-Wholesale Market Participants	\$/kWh	(0.0008)
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0047

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
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EB-2017-0052

STANDBY POWER SERVICE CLASSIFICATION

This classification refers to an account that has Load Displacement Generation equal to or greater than 500 kW and requires the distributor to provide back-up service. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the 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 - Approved on an Interim Basis

Service Charge	\$	138.53
General Service 50 TO 1,4999 kW customer	\$/kW	1.8489
General Service 1,500 TO 4,999 kW customer	\$/kW	1.6958
General Service Large User kW customer	\$/kW	1.8819

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
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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 (per connection)	\$	3.25
Distribution Volumetric Rate	\$/kW	13.8285
Low Voltage Service Rate	\$/kW	0.01782
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kW	(0.0878)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018 - Applicable only for Non-Wholesale Market Participants	\$/kW	(0.1789)
Retail Transmission Rate - Network Service Rate	\$/kW	2.0243
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4190

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
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EB-2017-0052

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 controlled by photocells. The consumption for these customers is based on the calculated connected load times the required lighting times established in the approved OEB 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)	\$	0.85
Distribution Volumetric Rate	\$/kW	5.9758
Low Voltage Service Rate	\$/kW	0.01819
Rate Rider for Disposition of Global Adjustment Account (2018) - effective until December 31, 2018 - Applicable only for Non-RPP Customers	\$/kWh	(0.0007)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018	\$/kW	(0.1404)
Rate Rider for Disposition of Deferral/Variance Accounts (2018) - effective until December 31, 2018 - Applicable only for Non-Wholesale Market Participants	\$/kW	(0.2861)
Retail Transmission Rate - Network Service Rate	\$/kW	2.0345
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.4486

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate (WMS) - not including CBR	\$/kWh	0.0032
Capacity Based Recovery (CBR) - Applicable for Class B Customers	\$/kWh	0.0004
Rural or Remote Rate Protection Charge (RRRP)	\$/kWh	0.0003
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
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EB-2017-0052

microFIT AND MICRO-NET-METERING 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	\$	19.00
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Hydro Ottawa Limited
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FIT SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's FIT 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	\$	124.00
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Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
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HCI, RESOP, OTHER ENERGY RESOURCE SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's HCI, RESOP and Other Energy Resource programs 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	\$	270.00
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ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.45)
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

Account certificate	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Special billing service per hour (min 1 hour, 15 min incremental billing thereafter)	\$	100.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Unprocessed payment charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Disconnect/reconnect at meter - regular hours (under account administration - new account)	\$	65.00
Disconnect/reconnect at meter - after regular hours (under account administration - new account)	\$	185.00
Interval meter - field reading	\$	362.00
High bill investigation - if billing is correct	\$	222.00

Non-Payment of Account

Late payment - per month	%	1.50
Late payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Disconnect/reconnect at meter - during regular hours	\$	65.00
Disconnect/reconnect at meter - after regular hours	\$	185.00
Disconnect/reconnect at pole - during regular hours	\$	185.00
Disconnect/reconnect at pole - after regular hours	\$	415.00

Other

Temporary service - install & remove - overhead - no transformer	\$	830.00
Temporary service - install & remove - underground - no transformer	\$	1,205.00
Temporary service - install & remove - overhead - with transformer	\$	2,961.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	53.00
Dry core transformer distribution charge	Per Attached Table	
Energy resource facility administration charge - without account set up (one time)	\$	133.00
Energy resource facility administration charge - with account set up (one time)	\$	163.00

Hydro Ottawa Limited
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2018
This schedule supersedes and replaces all previously
approved schedules of Rates, Charges and Loss Factors

EB-2017-0052

RETAIL SERVICE CHARGES (if applicable)

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the 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	\$	129.00
Monthly fixed charge, per retailer	\$	26.00
Monthly variable charge, per customer, per retailer	\$/cust.	0.65
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.40
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.40)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.30
Processing fee, per request, applied to the requesting party	\$	0.65
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year	\$	no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor - Secondary Metered Customer < 5,000 kW	1.0335
Total Loss Factor - Secondary Metered Customer > 5,000 kW	1.0164
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0232
Total Loss Factor - Primary Metered Customer > 5,000 kW	1.0062

Hydro Ottawa Limited

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2018
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EB-2017-0052

Dry Core Transformer Charges

Transformers	No Load Loss (W)	Load Loss (W)	Cost of Transmission and LV per kW	Cost of Energy and Wholesale Market per kWh**	Total Monthly cost of power	Cost of Distribution per kW	Total
Rates			\$ 5.0249	\$ 0.0943		\$ 4.2374	
25 KVA 1 PH, 1.2kV BIL	150	900	\$ 0.81	\$ 8.57	\$ 9.38	\$ 0.68	\$ 10.06
37.5 KVA 1 PH, 1.2kV BIL	200	1200	\$ 1.08	\$ 11.43	\$ 12.51	\$ 0.91	\$ 13.42
50 KVA 1 PH, 1.2kV BIL	250	1600	\$ 1.37	\$ 14.38	\$ 15.75	\$ 1.16	\$ 16.91
75 KVA 1 PH, 1.2kV BIL	350	1900	\$ 1.83	\$ 19.82	\$ 21.65	\$ 1.54	\$ 23.20
100 KVA 1 PH, 1.2kV BIL	400	2600	\$ 2.21	\$ 23.05	\$ 25.25	\$ 1.86	\$ 27.12
150 KVA 1 PH, 1.2kV BIL	525	3500	\$ 2.92	\$ 30.33	\$ 33.25	\$ 2.46	\$ 35.71
167 KVA 1 PH, 1.2kV BIL	650	4400	\$ 3.63	\$ 37.61	\$ 41.25	\$ 3.06	\$ 44.31
200 KVA 1 PH, 1.2kV BIL	696	4700	\$ 3.89	\$ 40.26	\$ 44.15	\$ 3.28	\$ 47.43
225 KVA 1 PH, 1.2kV BIL	748	5050	\$ 4.18	\$ 43.27	\$ 47.45	\$ 3.52	\$ 50.97
250 KVA 1 PH, 1.2kV BIL	800	5400	\$ 4.47	\$ 46.28	\$ 50.75	\$ 3.77	\$ 54.51
*15 KVA 3 PH, 1.2kV BIL	125	650	\$ 0.65	\$ 7.05	\$ 7.70	\$ 0.54	\$ 8.24
*45 KVA 3 PH, 1.2kV BIL	300	1800	\$ 1.61	\$ 17.15	\$ 18.76	\$ 1.36	\$ 20.12
*75 KVA 3 PH, 1.2kV BIL	400	2400	\$ 2.15	\$ 22.86	\$ 25.02	\$ 1.82	\$ 26.83
*112.5 KVA 3 PH, 1.2kV BIL	600	3400	\$ 3.18	\$ 34.11	\$ 37.29	\$ 2.68	\$ 39.97
*150 KVA 3 PH, 1.2kV BIL	700	4500	\$ 3.85	\$ 40.29	\$ 44.14	\$ 3.25	\$ 47.38
*225 KVA 3 PH, 1.2kV BIL	900	5300	\$ 4.82	\$ 51.35	\$ 56.17	\$ 4.06	\$ 60.23
*300 KVA 3 PH, 1.2kV BIL	1100	6300	\$ 5.84	\$ 62.60	\$ 68.44	\$ 4.93	\$ 73.37
*500 KVA 3 PH, 95kV BIL	2400	7600	\$ 11.09	\$ 130.94	\$ 142.03	\$ 9.35	\$ 151.38
*750 KVA 3 PH, 95kV BIL	3000	12000	\$ 14.53	\$ 165.97	\$ 180.50	\$ 12.26	\$ 192.76
*1000 KVA 3 PH, 95kV BIL	3400	13000	\$ 16.31	\$ 187.55	\$ 203.86	\$ 13.76	\$ 217.61
*1500 KVA 3 PH, 95kV BIL	4500	18000	\$ 21.80	\$ 248.95	\$ 270.76	\$ 18.39	\$ 289.14
*2000 KVA 3 PH, 95kV BIL	5400	21000	\$ 26.00	\$ 298.19	\$ 324.19	\$ 21.93	\$ 346.12
*2500 KVA 3 PH, 95kV BIL	6500	25000	\$ 31.22	\$ 358.68	\$ 389.90	\$ 26.33	\$ 416.23
*3000 KVA 3PH, 95kV BIL	7700	29000	\$ 36.82	\$ 424.33	\$ 461.16	\$ 31.05	\$ 492.21
*3750 KVA 3PH, 95kV BIL	9500	35000	\$ 45.22	\$ 522.81	\$ 568.03	\$ 38.13	\$ 606.17
*5000 KVA 3PH, 95kV BIL	11000	39000	\$ 51.95	\$ 603.96	\$ 655.91	\$ 43.81	\$ 699.72

No Load and load losses from CSA standard C802-94: Maximum losses for distribution, power and dry-type transformers commercial use.

Average load factor = 0.46 average loss factor = 0.2489

*For non-preferred KVA ratings no load and load losses are interpolated as per CSA standard

** Cost of Energy and Wholesale Market per kWh contains July 1, 2017 RPP Tiered Pricing, WMRS and OESP Pricing to be effective July 1,2017