



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

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**DECISION AND RATE ORDER**

**EB-2016-0064**

**COLLUS POWERSTREAM CORP.**

**Application for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2017.**

**By Delegation, Before: Theodore Antonopoulos**

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**March 30, 2017**

# 1 INTRODUCTION AND SUMMARY

This is the Decision and Rate Order (Decision) for Collus PowerStream Corp.'s Incentive Regulation Mechanism (IRM) application for 2017 rates.

Collus PowerStream Corp. (Collus PowerStream) serves about 16,600 mostly residential and commercial electricity customers in the Towns of Collingwood, Stayner, Creemore and Thornbury. The company is seeking the Ontario Energy Board's approval for the rates it charges to distribute electricity to its customers, as is required of licenced and rate-regulated distributors in Ontario.

Distributors may choose one of three Ontario Energy Board (OEB) rate-setting methods. Collus PowerStream has selected the Price Cap Incentive Rate-setting (Price Cap IR) option that has a five-year term. Rates are set through a cost of service rebasing application for the first year and are adjusted mechanistically through an IRM application for each of the ensuing four years. The price cap adjustment is based on inflation and the OEB's assessment of a distributor's efficiency.

Collus PowerStream filed an IRM application with the OEB on September 22, 2016 to seek approval for changes to its distribution rates to be effective May 1, 2017. Collus PowerStream last appeared before the OEB with a cost of service rebasing application for 2013 rates in the EB-2012-0116 proceeding.

The OEB addresses the following issues with respect to Collus PowerStream's IRM application in this Decision.

- Price Cap Adjustment
- Regulatory Charges
- Shared Tax Adjustments
- Retail Transmission Service Rates
- Group 1 Deferral and Variance Accounts
- Residential Rate Design
- Implementation and Order

Collus PowerStream applied for a rate increase of 1.75% in accordance with the OEB-approved 2017 parameters for inflation and productivity. The 1.75% price cap adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes; it does not apply to the rates and charges listed in Schedule B.

Collus PowerStream 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.<sup>1</sup> Accordingly, the fixed monthly charge for 2017 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 that distributors collect from residential customers.

This Decision on Collus PowerStream's IRM application will result in a monthly bill decrease of \$0.12 for a residential customer consuming 750 kWh.

The OEB approves the adjustments made to Collus PowerStream's application, and the associated rates calculated, as a result of this proceeding.

## 2 THE PROCESS

Collus PowerStream filed an application with the OEB on September 22, 2016 under section 78 of the OEB Act and under the OEB's Chapter 3 Filing Requirements for Incentive Rate-Setting Applications seeking approval for changes to its electricity distribution rates to be effective May 1, 2017.

The OEB follows a standard, streamlined process for IRM applications under Price Cap IR. This Decision is being issued by delegated authority under section 6 of the *Ontario Energy Board Act, 1998*.

The OEB first prepares a rate model that includes information from past proceedings and annual reporting requirements. The distributor then reviews and updates the model and includes it with its application.

Collus PowerStream's IRM application was supported by written evidence and a completed rate model. Questions were asked and answers were provided by Collus PowerStream through emails and phone calls. Based on this information, a decision was drafted and provided to Collus PowerStream on February 28, 2017. Collus PowerStream was given the opportunity to provide its comments on the draft for consideration prior to the OEB issuing this Decision.

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

### 3 ORGANIZATION OF THE DECISION

The OEB has organized this Decision into sections to reflect the issues that were considered in making its findings.<sup>2</sup> Each section outlines the OEB's reasons for approving or denying the proposals included in the application and affecting 2017 rates. The last section addresses the steps to implement the final rates that flow from this Decision.

### 4 PRICE CAP ADJUSTMENT

The price cap adjustment follows an OEB-approved formula that includes annually updated components for inflation and the OEB's expectations of efficiency and productivity gains.<sup>3</sup> The formula is an *inflation minus X-factor* rate adjustment, which is intended to incent innovation and efficiency. The OEB has set the inflation factor for 2017 rates at 1.9% based on its established formula.<sup>4</sup>

The X-factors for individual distributors have two parts: a productivity element established from a historical analysis of industry cost performance; and a stretch factor based on a distributor's efficiency relative to its expected costs. Subtracting the X-factor from inflation ensures that rates decline in real, constant-dollar terms, providing distributors an incentive to improve efficiency or else experience declining net income.

Based on industry conditions over the historical study period, the productivity factor has been set at 0.0%. A stretch factor is assigned to each distributor based on the individual distributor's total cost performance as benchmarked relative to other distributors in Ontario. For Price Cap IR applications, there are five stretch factor groupings that have each been assigned a stretch factor in the range from 0.0% to 0.6%.<sup>5</sup> The most efficient distributor, based on the cost evaluation ranking, would be assigned the lowest stretch factor of 0.0%. Higher stretch factors are applied to distributors in accordance with their cost performance relative to expected levels, to reflect the incremental productivity gains that distributors are expected to achieve.

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

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

<sup>4</sup> As outlined in the Report cited at footnote 3 above

<sup>5</sup> Report to the Ontario Energy Board – "Empirical Research in Support of Incentive Rate-Setting: 2015 Benchmarking Update." Pacific Economics Group LLC. July 2016

## Findings

The OEB assigned Collus PowerStream a stretch factor of 0.15% based on the updated benchmarking study for use for rates effective in 2017.<sup>6</sup> The resulting net price cap adjustment for Collus PowerStream is 1.75% (i.e. 1.9% - (0% + 0.15%)).

The 1.75% adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes; it does not apply to the rates and charges listed in Schedule B.

## 5 REGULATORY CHARGES

Customers are charged a number of fees to cover the costs associated with various programs and wholesale market services.

The Rural or Remote Electricity Rate Protection (RRRP) program is designed to partially offset the relatively high cost of electricity distribution to eligible customers located in rural or remote areas of Ontario. The funding level is established by the government of Ontario and is recovered from all electricity customers in the province through a charge that is set annually by the OEB.

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

In addition, the costs of the IESO WMS Capacity Based Recovery (CBR) initiative are recovered by distributors from Class B customers through a separate kWh charge, and from Class A customers through their share of the actual CBR charge based on their contribution to peak demand.

These regulatory charges are components of the Regulatory Charge on customers' bills and are established annually by the OEB through a separate order.

The OEB has set the RRRP charge for 2017 at \$0.0021 per kWh.

The WMS rate used by distributors to bill their Class A and B customers remains at \$0.0032 per kWh. An additional component is billed to Class B customers for the CBR

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<sup>6</sup> As outlined in the Report cited at footnote 5 above

of \$0.0004 per kWh.<sup>7</sup>

These changes are effective January 1, 2017 for all distributors as a result of the generic order that was part of a separate OEB decision.<sup>8</sup>

The Ontario Electricity Support Program (OESP) is a program to deliver on-bill rate assistance to low income electricity customers. This program was funded by all Ontario customers through the OESP Charge.

On March 23, 2017, the OEB issued a Decision and Order rescinding the OESP charge effective May 1, 2017<sup>9</sup> until further notice.

The OEB has updated the Tariff of Rates and Charges flowing from the above, listed in Schedule A, to reflect these changes. Although the OEB has also, for administrative convenience, removed the OESP credits from the attached tariff, distributors must continue until further notice to apply the OESP credits on bills issued to eligible low-income customers, as set by the OEB's December 21, 2016 Order.<sup>10</sup>

## 6 SHARED TAX ADJUSTMENTS

The OEB approves an amount for taxes in a distributor's cost of service proceeding based on the tax rates in place at the time. The OEB has determined that a 50/50 sharing of the impact of legislated tax changes between shareholders and ratepayers is appropriate in the period between cost of service proceedings. The shared tax change amount will be assigned to customer rate classes in the same proportions as the OEB-approved distribution revenue by rate class from a distributor's last cost of service proceeding.

The application identified a total tax change of \$65,617, resulting in a shared amount of \$32,809 to be charged to rate payers.

### Findings

The OEB approves the disposition of the shared tax amount of \$32,809 to be applied to all customer classes over a one-year period (i.e. May 1, 2017 to April 30, 2018). The amount will be disposed through a fixed monthly rate rider for residential customers and through riders calculated on a volumetric basis for all other customers.

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<sup>7</sup> Decision and Rate Order, EB-2016-0362, December 15, 2016

<sup>8</sup> Ibid

<sup>9</sup> EB-2017-0135

<sup>10</sup> EB-2016-0376

## 7 RETAIL TRANSMISSION SERVICE RATES

Electricity distributors use Retail Transmission Service Rates (RTSRs) to pass along the cost of transmission service to their distribution customers. The RTSRs are adjusted annually to reflect the revised costs as calculated by the application of the current Uniform Transmission Rates (UTRs) to historical transmission deliveries. The UTRs are established annually by a separate OEB order. Embedded distributors, such as Collus PowerStream, must adjust their RTSRs to reflect any changes to the applicable RTSRs of their host distributor, which in this case is Hydro One Networks Inc. Distributors may apply to the OEB annually to approve the RTSRs they propose to charge their customers, as Collus PowerStream has done in this application.

### Findings

The OEB approves the RTSRs as adjusted in this Application to reflect current applicable rates. The OEB has approved the 2017 Sub-Transmission Class RTSRs for Hydro One Networks Inc. to use for billing embedded distributors. These rate changes have been incorporated into the 2017 IRM Rate Generator Model (RTSR filing module) to adjust the RTSRs that Collus PowerStream will charge its customers.<sup>11</sup> The Sub-Transmission Class RTSRs for Hydro One Networks Inc. are shown in the following table:

**2017 Sub-Transmission RTSRs**

|  |               |
|--|---------------|
| Network Service Rate                   | \$3.19 per kW |
| <u>Connection Service Rates</u>        |               |
| Line Connection Service Rate           | \$0.77 per kW |
| Transformation Connection Service Rate | \$1.75 per kW |

## 8 GROUP 1 DEFERRAL AND VARIANCE ACCOUNT BALANCES

Group 1 deferral and variance accounts (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

<sup>11</sup> Rate Order, EB-2016-0081, issued December 21, 2016

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.

The OEB's policy<sup>12</sup> is to review and dispose of the distributor's Group 1 account balances if they exceed (as a debit or credit) the pre-set disposition threshold of \$0.001 per kWh during the term of an incentive ratemaking plan. The distributor must justify why any account balance in excess of the threshold should not be disposed. The distributor may propose to dispose of balances below this threshold.

Collus PowerStream's 2015 actual year-end total balance for Group 1 accounts including interest projected to April 30, 2017 is a credit of \$107,153. This amount results in a total credit claim of \$0.0004 per kWh, which does not exceed the preset disposition threshold.

In its application as originally filed on September 22, 2016, Collus PowerStream proposed to dispose of the total Global Adjustment (GA) account debit balance of \$2,862,192. Collus PowerStream did not request disposition of any other Group 1 account balances in the application. Collus PowerStream later withdrew the request to dispose of its GA account balance.

The OEB's IRM process requires distributors to file their most recently audited balances as part of their IRM applications, irrespective of whether the utility is requesting disposition or not. In doing so, the utility is expected to explain and justify any deviations from the OEB's *Reporting and Record-keeping Requirements* as well as any quanta that appear to be unusually high or low.

While Collus PowerStream's total balance of Group 1 accounts is a credit of \$107,153, this includes a debit balance of \$2,862,192 in the RSVA – Global Adjustment (GA) account offset by a credit balance of \$3,004,174 in the RSVA – Power account. The balance in the RSVA - GA account is only applicable to non-regulated price plan (non-RPP) customers.

Collus PowerStream provided an explanation as to the main factors that caused the large GA variance. Collus PowerStream noted that it uses the 1st IESO GA estimate and actual consumption data to bill its customers and that there has been over the past few years significant differences between the 1st monthly estimate and the final monthly GA as invoiced by the IESO. In addition, Collus PowerStream noted that it is a winter-peaking distributor and that over the past three years, 2013 through 2015, there have been large differences during the winter months due to the cold winters, most notably

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<sup>12</sup> Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (July 31, 2009)

2014 and 2015. Collus PowerStream stated that the high demand and large negative estimation-variances (between 1st estimate and actual GA) contributed to the large positive GA variances in 2013 through 2015.

Collus PowerStream provided the same response as part of its 2016 IRM application, where the year ending 2014 balances were reviewed. No disposition occurred at that time as the preset disposition threshold was not met.

As part of the current proceeding, OEB staff requested a follow-up GA analysis from Collus PowerStream. The analysis identified over \$2 million in discrepancies over the 2014 and 2015 transaction period which were not explained by the company nor are they, in the OEB's view, explained by the reasons noted initially by Collus PowerStream.

In addition, in Collus PowerStream's Account 1595 (2010) – Disposition and Recovery/Refund of Regulatory Balances, the carrying charges as of 2015 year-end including interest projected to April 30, 2017 (total credit amount of \$247,053) are relatively high compared to the principal (debit amount of \$310,070). Collus PowerStream did not provide an explanation for the relatively high carrying charges in its account 1595 (2010).

## Findings

The OEB accepts Collus PowerStream's updated request and finds that no disposition will take place at this time for any of the accounts. That said, the OEB notes that as a general policy, all Group 1 accounts should be disposed contemporaneously. Collus PowerStream is reminded that distributors now have the option to propose disposition of Group 1 accounts if the balances are below the preset disposition threshold.

The OEB notes that while the net balance is a relatively small credit of \$107,153, this includes large offsetting balances between the RSVA – Power account and RSVA – GA; however the RSVA – Global Adjustment account is only applicable to non-regulated price plan (non RPP) customers, while the RSVA – Power is applicable to all customers. While Collus PowerStream provided OEB staff with an analysis of the RSVA – GA account as requested by OEB staff, the large balances were not adequately explained or substantiated.

While the OEB recognizes that the 2015 deferral and variance account balances are audited; balances of this magnitude put into question whether amounts have been properly allocated between the accounts. Issues of rate retroactivity may arise if any problems with the balances are discovered after account balances have been disposed on a final basis.

Based on the evidence on record and the fact that the commodity amounts are the largest cash items that a distributor of the size of Collus PowerStream manages on a monthly basis, the OEB directs Collus PowerStream to conduct a thorough review of its account 1588 and 1589 balances in preparation for its next rate application. This review should be conducted by way of an external special purpose audit engagement, at minimum for accounts 1588 RSVA – Power and 1589 RSVA – GA for the period from January 1, 2014 to December 31, 2016. Collus PowerStream may decide if this special purpose audit be extended to all Group 1 accounts or whether the company prefers to do its own review of the remaining accounts.

The purpose of the formal audit shall be to provide an independent validation that the transactions have been recorded accurately in all material respects, and that the RPP settlement claims and true-ups made with the IESO are accurate. Collus PowerStream is to provide the results of the audit with its next rate application.

The OEB also requires Collus PowerStream to conduct a review of its procedures for booking transactions to the 1595 sub-accounts and confirm it is following the OEB guidance and to make adjustments as required. As noted above, this review can be done by the company itself or it can be included in the formal audit engagement. Collus PowerStream is to identify whether or not it follows the procedure described in A.6 in the Accounting Procedures Handbook Frequently Asked Questions issued in October 2009.

On March 13, 2017, the OEB received Collus PowerStream's comments on the Draft Decision and Rate Order issued on February 28, 2017. In its comments, Collus PowerStream requests further direction on the parameters and expectations of the special purpose audit, as well as instruction on the cost recovery of the special purpose audit. Collus PowerStream notes that the current local audit firms do not have such expertise and it has concerns about locating an auditor with the technical skills to perform this audit.

The OEB notes that the information an external auditor would need to perform the special purpose audit is publicly available, such as the OEB's Accounting Procedures Handbook, the IESO's Market Rules with respect to the wholesale settlement process, and the IESO's Regulated Price Plan Certification Program. This information, in conjunction with the utility's guidance, should be sufficient to allow the auditor to present a special purpose audit report, including audit scope and procedures followed, that confirms that the subject balances are complete, accurate and free of material errors.

## 9 RESIDENTIAL RATE DESIGN

All residential distribution rates currently include a fixed monthly charge and a variable usage charge. The OEB residential rate design policy<sup>13</sup> stipulates that electricity distributors will transition residential customers to a fully fixed monthly distribution service charge over a four-year period starting in 2016. The OEB requires that distributors filing IRM applications this year 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 the applicant to apply two tests to evaluate whether mitigation (generally a lengthening of the transition period) for customers in the transition is required. 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 10<sup>th</sup> percentile for the class). Mitigation may be required if the bill impact related to the application exceeds 10% for these customers.

Collus PowerStream's implementation of the transition results in an increase to the fixed charge prior to the price cap adjustment of \$3.50. 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 2017 increase to the monthly fixed charge is 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 IMPLEMENTATION AND ORDER

### Rate Model

This Decision and Rate Order is accompanied by a rate model, applicable supporting models and a Tariff of Rates and Charges (Schedule A). Entries in the models were reviewed to ensure that they are in accordance with Collus PowerStream's 2013 cost of

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<sup>13</sup> Ibid page 2

service decision,<sup>14</sup> and that the 2016 OEB-approved Tariff of Rates and Charges as well as the cost, revenue and consumption results from 2015 are as reported by Collus PowerStream to the OEB. The rate model was adjusted, where applicable, to correct any discrepancies.

### **THE ONTARIO ENERGY BOARD ORDERS THAT**

1. The Tariff of Rates and Charges set out in Schedule A of this Decision and Rate Order is approved effective May 1, 2017 for electricity consumed or estimated to have been consumed on and after such date. Collus PowerStream Corp. shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.
2. In its next rate application, Collus PowerStream Corp. shall file the results of a special purpose audit of the balances in its RSVA – Power and RSVA – GA accounts, in compliance with the OEB’s instructions as set out in this Decision.

### **ADDRESS**

Ontario Energy Board  
P.O. Box 2319  
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Toronto ON M4P 1E4  
Attention: Board Secretary

E-mail: [BoardSec@oeb.ca](mailto:BoardSec@oeb.ca)  
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Fax: 416-440-7656

**DATED** at Toronto, March 30, 2017

### **ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

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<sup>14</sup> EB-2012-0116

**Schedule A**

**To Decision and Rate Order**

**Tariff of Rates and Charges**

**OEB File No: EB-2016-0064**

**DATED: March 30, 2017**

**Collus PowerStream Corp.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0064

**RESIDENTIAL SERVICE CLASSIFICATION**

This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning.

Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. 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 Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

|  |        |        |
|--|--------|--------|
| Service Charge (Based on 30 Day Month)   | \$     | 17.63  |
| Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018   | \$     | 0.79   |
| Rate Rider for Application of Tax Change (2017) - effective until April 30, 2018 | \$     | 0.12   |
| Distribution Volumetric Rate   | \$/kWh | 0.0103 |
| Low Voltage Service Rate   | \$/kWh | 0.0016 |
| Retail Transmission Rate - Network Service Rate                                  | \$/kWh | 0.0065 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate       | \$/kWh | 0.0039 |

**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 Electricity Rate Protection Charge (RRRP)        | \$/kWh | 0.0021 |
| Standard Supply Service - Administrative Charge (if applicable)  | \$     | 0.25   |

**Collus PowerStream Corp.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0064

## GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. 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 the Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

### MONTHLY RATES AND CHARGES - Delivery Component

|  |        |        |
|--|--------|--------|
| Service Charge (Based on 30 Day Month)   | \$     | 21.01  |
| Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018   | \$     | 0.79   |
| Distribution Volumetric Rate   | \$/kWh | 0.0139 |
| Low Voltage Service Rate   | \$/kWh | 0.0014 |
| Rate Rider for Application of Tax Change (2017) - effective until April 30, 2018 | \$/kWh | 0.0001 |
| Retail Transmission Rate - Network Service Rate                                  | \$/kWh | 0.0059 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate       | \$/kWh | 0.0031 |

### 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 Electricity Rate Protection Charge (RRRP)        | \$/kWh | 0.0021 |
| Standard Supply Service - Administrative Charge (if applicable)  | \$     | 0.25   |

**Collus PowerStream Corp.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0064

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

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 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.

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

### MONTHLY RATES AND CHARGES - Delivery Component

|  |       |        |
|--|-------|--------|
| Service Charge (Based on 30 Day Month)   | \$    | 100.37 |
| Distribution Volumetric Rate   | \$/kW | 3.2824 |
| Low Voltage Service Rate   | \$/kW | 0.5215 |
| Rate Rider for Application of Tax Change (2017) - effective until April 30, 2018 | \$/kW | 0.0201 |
| Retail Transmission Rate - Network Service Rate                                  | \$/kW | 2.3577 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate       | \$/kW | 1.3227 |

### 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 Electricity Rate Protection Charge (RRRP)        | \$/kWh | 0.0021 |
| Standard Supply Service - Administrative Charge (if applicable)  | \$     | 0.25   |

**Collus PowerStream Corp.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0064

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

### MONTHLY RATES AND CHARGES - Delivery Component

|  |        |        |
|--|--------|--------|
| Service Charge (Based on 30 Day Month)   | \$     | 0.50   |
| Distribution Volumetric Rate   | \$/kWh | 0.0120 |
| Low Voltage Service Rate   | \$/kWh | 0.0014 |
| Rate Rider for Application of Tax Change (2017) - effective until April 30, 2018 | \$/kWh | 0.0001 |
| Retail Transmission Rate - Network Service Rate                                  | \$/kWh | 0.0059 |
| Retail Transmission Rate - Line and Transformation Connection Service Rate       | \$/kWh | 0.0031 |

### 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 Electricity Rate Protection Charge (RRRP)        | \$/kWh | 0.0021 |
| Standard Supply Service - Administrative Charge (if applicable)  | \$     | 0.25   |

**Collus PowerStream Corp.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0064

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

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

|  |       |         |
|--|-------|---------|
| Service Charge (per connection)  | \$    | 3.67    |
| Distribution Volumetric Rate   | \$/kW | 15.3078 |
| Low Voltage Service Rate   | \$/kW | 0.4031  |
| Rate Rider for Application of Tax Change (2017) - effective until April 30, 2018 | \$/kW | 0.1808  |
| Retail Transmission Rate - Network Service Rate                                  | \$/kW | 1.7781  |
| Retail Transmission Rate - Line and Transformation Connection Service Rate       | \$/kW | 1.0226  |

### **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 Electricity Rate Protection Charge (RRRP)        | \$/kWh | 0.0021 |
| Standard Supply Service - Administrative Charge (if applicable)  | \$     | 0.25   |

**Collus PowerStream Corp.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0064

**microFIT SERVICE CLASSIFICATION**

This classification applies to an electricity generation facility contracted under the Independent Electricity System Operator's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

**APPLICATION**

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

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Ontario Energy Board, and amendments thereto as approved by the Ontario Energy Board, or as specified herein.

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It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to the Ontario Energy Board approval, such as the Debt Retirement Charge, the Global Adjustment and the HST.

**MONTHLY RATES AND CHARGES - Delivery Component**

|                |    |      |
|----------------|----|------|
| Service Charge | \$ | 5.40 |
|----------------|----|------|

**ALLOWANCES**

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

**Collus PowerStream Corp.**  
**TARIFF OF RATES AND CHARGES**  
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EB-2016-0064

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

**Customer Administration**

|   |    |       |
|---|----|-------|
| Charge to certify cheque  | \$ | 15.00 |
| Arrears certificate   | \$ | 15.00 |
| Statement of account  | \$ | 15.00 |
| Pulling post dated cheques  | \$ | 15.00 |
| Duplicate invoices for previous billing   | \$ | 15.00 |
| Account history   | \$ | 15.00 |
| Credit reference/credit check (plus credit agency costs)                                  | \$ | 15.00 |
| Returned cheque (plus bank charges)   | \$ | 15.00 |
| Legal letter charge   | \$ | 15.00 |
| Account set up charge/change of occupancy charge (plus credit agency costs if applicable) | \$ | 15.00 |
| Special meter reads   | \$ | 30.00 |
| Meter dispute charge plus Measurement Canada fees (if meter found correct)                | \$ | 30.00 |

**Non-Payment of Account**

|   |    |        |
|---|----|--------|
| Late payment - per month  | %  | 1.50   |
| Late payment - per annum  | %  | 19.56  |
| Collection of account charge - no disconnection                       | \$ | 20.00  |
| Collection of account charge - no disconnection - after regular hours | \$ | 165.00 |
| Disconnect/reconnect at meter - during regular hours                  | \$ | 40.00  |
| 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**

|  |    |        |
|--|----|--------|
| Service call - after regular hours   | \$ | 165.00 |
| Specific charge for access to the power poles - \$/pole/year<br>(with the exception of wireless attachments) | \$ | 22.35  |

**Collus PowerStream Corp.**  
**TARIFF OF RATES AND CHARGES**  
**Effective and Implementation Date May 1, 2017**  
**This schedule supersedes and replaces all previously**  
**approved schedules of Rates, Charges and Loss Factors**

EB-2016-0064

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

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity.

|  |          |           |
|--|----------|-----------|
| One-time charge, per retailer, to establish the service agreement between the distributor and the retailer   | \$       | 100.00    |
| Monthly fixed charge, per retailer   | \$       | 20.00     |
| Monthly variable charge, per customer, per retailer  | \$/cust. | 0.50      |
| Distributor-consolidated billing monthly charge, per customer, per retailer  | \$/cust. | 0.30      |
| Retailer-consolidated billing monthly credit, per customer, per retailer   | \$/cust. | (0.30)    |
| Service Transaction Requests (STR)   |          |           |
| Request fee, per request, applied to the requesting party  | \$       | 0.25      |
| Processing fee, per request, applied to the requesting party   | \$       | 0.50      |
| Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party |          |           |
| Up to twice a year   | \$       | no charge |
| More than twice a year, per request (plus incremental delivery costs)  | \$       | 2.00      |

## LOSS FACTORS

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

|   |        |
|---|--------|
| Total Loss Factor - Secondary Metered Customer < 5,000 kW | 1.0710 |
| Total Loss Factor - Primary Metered Customer < 5,000 kW   | 1.0603 |

**Schedule B**

**To Decision and Rate Order**

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

**OEB File No: EB-2016-0064**

**DATED: March 30, 2017**

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

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

EPCOR Collingwood Distribution Corp.

An Ontario corporation

**OFFICER'S CERTIFICATE**

TO: THE ONTARIO ENERGY BOARD

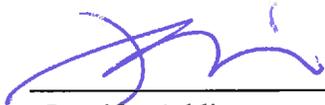
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The undersigned, Jennifer Addison, being the Senior Vice President, General Counsel & Corporate Secretary of EPCOR Collingwood Distribution Corp., in my capacity as an officer of that corporation and without personal liability, hereby certifies that the evidence in this Application is accurate, consistent and complete to the best of my knowledge.

DATED this 21st of December, 2017.

**EPCOR COLLINGWOOD DISTRIBUTION  
CORP.**

Per:

Name:   
\_\_\_\_\_ Jennifer Addison

Title: Senior Vice President, General  
Counsel & Corporate Secretary

Town of Collingwood

**OFFICER'S CERTIFICATE**

TO: THE ONTARIO ENERGY BOARD

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I, Fareed Amin, in my capacity as Chief Administrative Officer of the Town of Collingwood and without personal liability, hereby certify that the evidence in this Application is accurate, consistent and complete to the best of my knowledge.

DATED this 21 of December, 2017.

**TOWN OF COLLINGWOOD**

Per:

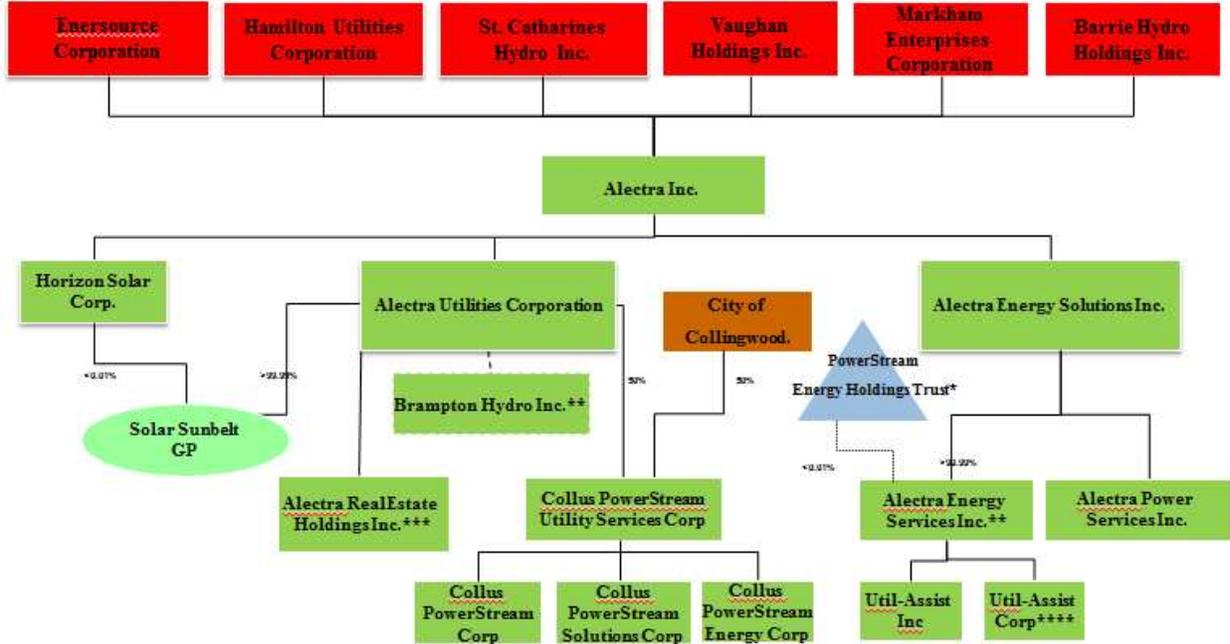


Name: Fareed Amin

Title: Chief Administrative Officer

Schedule L

# Alectra Corporate Structure



\* PowerStream Energy Holdings Trust owns non-participating, non-voting preferred shares of Alectra Energy Services Inc.  
 \*\* All Brampton Hydro's assets were transferred to AUC on March 2, 2017.  
 \*\*\* Alectra Real Estate Holdings Inc. is the registered (but not beneficial) holder, as nominee and bare trustee for AUC, of real estate formerly owned by Brampton Hydro.  
 \*\*\*\* Util-Assist Corporation - operating company in US