



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

DECISION AND RATE ORDER

EB-2016-0090

LAKELAND POWER DISTRIBUTION LTD.

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

By Delegation, Before: Lynne Anderson

December 8, 2016

1 INTRODUCTION AND SUMMARY

This is the Decision and Rate Order for Lakeland Power Distribution Ltd.'s Incentive Regulation Mechanism application for 2017 rates.

Lakeland Power Distribution Ltd. (Lakeland Power) serves about 13,300 mostly residential and commercial electricity customers in Bracebridge, Huntsville, Sundridge, Burk's Falls, Magnetawan and Parry Sound. 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.

Lakeland Power and Parry Sound Power Corporation amalgamated to form a consolidated entity on July 1, 2014 under the Lakeland Power distribution licence. At the time of the transaction, the Lakeland service area was on a May 1 rate year, while the Parry Sound service area was on a January 1 rate year. The intention is to maintain distinct rate schedules for the two service areas until the rates are harmonized in the 2018 rate year.

Distributors may choose one of three Ontario Energy Board (OEB) rate-setting methods. Lakeland Power 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 Incentive Regulation Mechanism (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.

Lakeland Power filed an IRM application with the OEB on August 23, 2016, to seek approval for changes to its distribution rates to be effective May 1, 2017 for the Lakeland legacy service area and January 1, 2017 for the Parry Sound service area. Lakeland Power and Parry Sound Power last appeared before the OEB with cost of service applications for 2013 in the EB-2012-0145, and 2011 in the EB-2010-0140 proceedings respectively.

The OEB addresses the following issues with respect to Lakeland Power's IRM application in this Decision and Rate Order.

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

- Implementation and Order

Lakeland Power applied for a rate increase of 1.60% in accordance with the OEB-approved 2017 parameters for inflation and productivity for both service areas. The 1.60% 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.

Lakeland Power also applied to change the composition of its two distribution service rates. Residential distribution service rates currently include a fixed monthly charge and a variable usage charge. Last year, the OEB issued a policy to transition these rates to a fully fixed structure over a four-year period beginning in 2016.¹ 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 distributors collect from residential customers.

This Decision on Lakeland legacy service area and the Parry Sound service area IRM application will result in monthly increases of \$3.47 and \$5.01 respectively for residential customers consuming 750 kWh.

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

2 THE PROCESS

The OEB follows a standard, streamlined process for IRM applications under Price Cap IR.

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.

On August 23, 2016, Lakeland Power submitted its IRM application supported by written evidence and a completed rate model. Questions were asked and answers were provided by Lakeland Power through emails and phone calls. Based on this information, a decision was drafted and provided to Lakeland Power on November 17, 2016. Lakeland Power was given the opportunity to provide its comments on the draft for

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

consideration prior to finalizing this Decision. Lakeland provided its final comments on the draft on December 7, 2016.

3 ORGANIZATION OF THE DECISION

The OEB has organized this Decision into sections to reflect the issues that were considered in making its findings.² 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.³ 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.⁴

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 zero percent. A stretch factor is assigned based on the distributor's total cost performance as benchmarked relative to other distributors in Ontario. For Price Cap IR applications, a range of stretch factors has been set from 0.0% to 0.6%.⁵ 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

² See list of issues in the Introduction, p.1

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

⁴ As outlined in the Report cited at footnote 3 above

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

incremental productivity gains that distributors are expected to achieve.

Findings

The OEB assigned Lakeland Power a stretch factor of 0.30% based on the updated benchmarking study for use for rates effective in 2017.⁶ This stretch factor is applicable to both the Lakeland and Parry Sound legacy service areas. The resulting net price cap adjustment for Lakeland Power is 1.60% (i.e. 1.9% - (0% + 0.30%)).

The 1.60% 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 provide financial assistance to eligible customers located in rural or remote areas where the cost of providing electricity service, and therefore the rates, greatly exceeds those elsewhere in the province of Ontario. The RRRP program cost is recovered from all electricity customers in the province through a charge that is reviewed annually and approved 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. Individual electricity distributors recover the WMS charges from their customers through the WMS rate.

The Ontario Electricity Support Program (OESP) is a program to deliver on-bill rate assistance to low income electricity customers. All Ontario customers contribute to the OESP through the OESP charge.

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

⁶ As outlined in the Report cited at footnote 5 above

Findings

As of the date of this Decision and Rate Order, the OEB has not yet issued an order on the RRRP, WMS or OESP charges for 2017. The Tariff of Rates and Charges flowing from this Decision will reflect the currently-approved charges. When new charges are established for 2017, the OEB will issue a rate order, which will apply to Lakeland Power.

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 Lakeland legacy service area incurred a total tax increase of \$58,828 resulting in a shared amount of \$29,414 to be charged to customers.

The Parry Sound service area incurred a total tax decrease of \$957, resulting in a shared amount of \$479. The Application included a proposal to transfer the \$479 tax sharing amount to Account 1595, for disposal at a future time.

Findings

The OEB approves the disposition of the shared tax of \$29,414 to be applied to all customer classes over a one-year period (i.e. January 1, 2017 to December 31, 2017) for the Lakeland legacy service area. 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.

The OEB approves the request to record the Parry Sound service area tax sharing amount of \$479 in variance Account 1595 for future disposition. The entry must be made by March 31, 2016.

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 Lakeland Power, 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.

Findings

The OEB approves the RTSRs as adjusted in this application to reflect current applicable rates. These RTSRs are based on previous year's rates as the OEB has not yet adjusted UTRs and Hydro One sub-transmission class rates for 2017. The differences between the previous and the new 2017 RTSRs, once approved, will be captured in Accounts 1584 and 1586 for future disposition.

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 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 policy⁷ 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 IR plan term. The distributor must justify why any account balance in excess of the threshold should not be disposed. The distributor may dispose of balances below this threshold if its proposal to do so is justified.

⁷ Report of the Board on Electricity Distributors' Deferral and Variance Account Review Initiative (July 31, 2009)

The Lakeland Service Area

Lakeland legacy service area 2015 actual year-end total balance for Group 1 accounts including interest projected to December 31, 2016 is a credit of \$159,443. This amount results in a total credit claim of \$0.0008 per kWh, which does not exceed the preset disposition threshold.

Findings

The OEB finds that no disposition is required at this time as the disposition threshold has not been exceeded.

The Parry Sound Service Area

Parry Sound service area 2015 actual year-end total balance for Group 1 accounts including interest projected to December 31, 2016 is a debit of \$688,328. This amount results in a total debit claim of \$0.0085 per kWh, which exceeds the preset disposition threshold.

The Group 1 balance includes a Global Adjustment (GA) account balance of \$337,489. Ontario electricity customers' costs for the commodity portion of their electricity service reflect the sum of two charges: the price of electricity established by the operation of the IESO administered wholesale market, and the GA. The GA charge consists of the difference between the market price and the rates paid to regulated and contracted generators, and conservation and demand management (demand response) program costs. The GA is established monthly and varies in accordance with market conditions.

Most customers pay the GA charge based on the amount of electricity they consume in a month (kWh); these customers are referred to as Class B. Customers who participate in the Industrial Conservation Initiative, are referred to as Class A. The costs for the GA are recovered from Class A and Class B customers in different ways:

- Class A customers are assessed GA costs through a peak demand factor that is based on the percentage their peak 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. Distributors settle with Class A customers billed based on the actual GA costs resulting in no variance.
- Class B customers are billed GA based on an IESO published GA price. For Class B customers, distributors track any difference between the billed amounts and actual cost in the GA Variance Account for disposal, once audited.

The Parry Sound service area has never had any Class A customers.

Lakeland Power proposed the recovery of the Global Adjustment variance account balance of \$337,489 for the Parry Sound service area, as at December 31, 2015, including interest to December 31, 2016 from customers who were Class B customers for the entire period from January 2012 to December 2015, through a kWh rate rider.

The Group 1 balance also includes the recovery of Capacity Based Recovery (CBR) costs related to Demand Response (DR) providers contracted under the wholesale energy market Demand Response 3 (DR3) program. Parry Sound service area paid CBR charges to the IESO in 2015 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 2015 to December 2015.

In this application, Parry Sound service area had no customers who were part of Class A during the period from January 2015 to December 2015 so it requested the balance of this account be disposed along with Account 1580 – Wholesale Market Service Charge through the general Deferral and Variance Account rate rider.

In 2015, the OEB did not approve for disposition any of the Group 1 account balances for the Parry Sound service area as there were concerns with Accounts 1588 and 1589. In its decision on Parry Sound's EB-2014-0091 application, the OEB ordered a detailed review of the two accounts. The last disposition for Group 1 accounts was for 2011 balances.

In its decision on Lakeland Power's 2016 rate proceeding (EB-2015-0086), the OEB did not approve the disposition of any Group 1 accounts balances for the Parry Sound service area given the review of Accounts 1588 and 1589 was not complete.

Lakeland Power has now completed its review of Accounts 1588 and 1589 and filed revised balances for disposition as part of this proceeding. OEB staff questioned the large balance in Account 1589. In response to OEB staff's questions, Lakeland Power filed the following table:

Account	Description	Net for Year	Reconciliation 2010-2011	Reconciliation 2012-2015	Embedded Generation	2015 Variance	Balance
1588	RSVA - Power	-\$1,835,678.77					
Breakdown							
Note 1	2010 Non-RPP true up		\$423,865.01				\$423,865.01
	2011 Non-RPP true up		-\$113,076.86				-\$113,076.86
	2012 Non-RPP true up			-\$434,961.24			-\$434,961.24
Note 2	Q4 2011 Error		-\$245,675.69				-\$245,675.69
Note 3	2014 13 mth GA error			-\$217,227.00			-\$217,227.00
Note 4	2012-2015 True up			-\$1,196,282.79			-\$1,196,282.79
	2015 annual variance					-\$52,320.20	-\$52,320.20
1588		-\$1,835,678.77	\$65,112.46	-\$1,848,471.03	\$0.00	-\$52,320.20	-\$1,835,678.77
1589	RSVA - GA	\$3,144,882.99					
Breakdown							
Note 1	2010 Non-RPP true up		-\$423,865.01				-\$423,865.01
	2011 Non-RPP true up		\$113,076.86				\$113,076.86
	2012 Non-RPP true up			\$434,961.24			\$434,961.24
Note 2	Q4 2011 Error		\$245,675.69				\$245,675.69
Note 3	2014 13 mth GA error			\$217,227.00			\$217,227.00
Note 4	2012-2015 True up			\$1,196,282.79			\$1,196,282.79
Note 5	GA missed on embedded gen pd in 2015				\$1,076,205.03		\$1,076,205.03
	2015 annual variance					\$285,319.39	\$285,319.39
1589		\$3,144,882.99	-\$65,112.46	\$1,848,471.03	\$1,076,205.03	\$285,319.39	\$3,144,882.99
Net of 1588/1589		\$1,309,204.22	\$0.00	\$0.00	\$1,076,205.03	\$232,999.19	\$1,309,204.22
Note 1	2010-2012 Reconciliation true up was booked to 1588 and should have been 1589						
Note 2	2011 overstatement of Q4 1588 GA error - amt booked to 1588 did not add Rev-Cost						
Note 3	2014 GA revenue overstated as June/14 was included twice during change in ownership - 13 months of revenue rather than 12						
Note 4	2012-2015 reconciliation - offset to 1589						
Note 5	GA not remitted to IESO on embedded generation until 2015						

The table shows a total of \$65,112.46 in corrections to accounts 1588 RSVA - Power (debit) and account 1589 – RSVA Global Adjustment (credit) to balances in 2010-2011 that were previously approved for disposition by the OEB on a final basis⁸.

OEB staff noted the large bill impacts for the non-RPP customers. Lakeland Power did not submit a mitigation plan for the Parry Sound service area, as it was felt that the non-RPP customers had benefited over the past 4 years with no increases due to the GA variance.

Also, Lakeland Power noted that it will be applying in early 2017 for a Cost of Service and is hoping the adjustment to accounts 1588 and 1589 will have all the legacy errors and corrections finalized and cleared, in order for the harmonization of rates between the two service areas to be more reflective of the current state.

Following the issuance of the draft decision, Lakeland Power filed its comments and an updated model for the Parry Sound service territory on December 7, 2016. Those

⁸ EB-2011-0193, EB-2012-0159 and EB-2012-0344

comments indicated that Lakeland Power agrees that \$65,112.46 pertains to years that have been previously disposed of. Lakeland suggested that it return the \$65,112.46 overpaid by customers to those same customers within the Group 1 account rate rider and not collect the \$65,112.46 underpaid by customers. Lakeland Power requested that the rate rider on Group 1 accounts be recovered over 12 months. OEB policy requires the filing of a rate mitigation plan if bill impacts exceed 10%. The updated model indicates that no rate class will be affected by greater than 10% if Lakeland Power's proposal is accepted. Lakeland Power also suggested that the Group 1 accounts be disposed on a final basis.

Findings

Lakeland Power's original proposal would have resulted in an adjustment to balances previously disposed on a final basis due to an after-the-fact discovery of accounting errors. This raises issues of retroactive ratemaking.⁹

Lakeland Power suggested that, instead, the \$65,112.46 overpaid by customers would be returned to those same customers and that customers who underpaid for the same period would not be charged the additional amount. While this is a retroactive adjustment, the OEB will approve disposition of the Group 1 balances on this basis because the adjustment is in favour of customers and Lakeland Power consented. This is consistent with a previous OEB decision for Enbridge Gas Distribution Inc.¹⁰ that permitted the refund of an out-of-period adjustment to customers. In another decision for North Bay Hydro,¹¹ the OEB noted that it "is not driven by a need for a symmetrical treatment of ratepayers and utilities in situations where correction of utility mistakes is required." The other adjustments made to accounts 1588 and 1589 appear to be reasonable. Bill impacts for all customer classes are less than 10%.

The balances proposed for disposition are the same as the amounts reported as part of the OEB's *Reporting and Record-Keeping Requirements*, except for the updated balance in account 1588. The OEB approves the disposition on a final basis of a debit balance of \$688,328 as of December 31, 2015, including interest projected to December 31, 2016 for Group 1 accounts over a one year period.

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

⁹ EB-2009-0113

¹⁰ EB-2014-0043

¹¹ EB-2009-0113

Account Name	Account Number	Principal Balance (\$) A	Interest Balance (\$) B	Total Claim (\$) C=A+B
LV Variance Account	1550	270,126	7,591	277,717
Smart Meter Entity Variance Charge	1551	2,181	104	2,285
RSVA - Wholesale Market Service Charge	1580	(413,249)	(16,319)	(429,567)
Variance WMS - Sub-account CBR Class B	1580	19,954	280	20,234
RSVA - Retail Transmission Network Charge	1584	46,780	667	47,447
RSVA - Retail Transmission Connection Charge	1586	1,489	(1,406)	83
RSVA - Power	1588	393,542	71,814	465,356
RSVA - Global Adjustment	1589	408,742	(71,253)	337,489
Disposition and Recovery of Regulatory Balances (2012)	1595	46,921	9,304	56,225
Disposition and Recovery of Regulatory Balances (2013)	1595	(70,904)	(18,038)	(88,942)
Total Group 1 Excluding Global Adjustment - Account 1589		296,840	53,999	350,840
Total Group 1		705,582	(17,254)	688,328

The balance of each Group 1 account 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*, effective January 1, 2012. 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. Lakeland

Power should ensure these adjustments are included in the reporting period ending March 31, 2017 (Quarter 1).

9 RESIDENTIAL RATE DESIGN

All residential distribution rates currently include a fixed monthly charge and a variable usage charge. The OEB residential rate design policy¹² stipulates that electricity distributors will transition residential customers to a fully fixed monthly distribution service charge over a four year period starting in 2016. This year's IRM applications are once again required to adjust the distribution rates to increase the fixed 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 10th percentile for the class). Mitigation may be required if the bill impact related to the application exceeds 10% for these customers.

In last year's IRM¹³ proceeding the Parry Sound service area was approved for a five year phase in period due to the transition to fully fixed rates over four years resulting in an increase above the \$4 threshold.

Lakeland legacy service area and Parry Sound service area implementation of the transition result in an increase to the fixed charge prior to the price cap adjustment of \$3.06 and \$3.62 respectively. The bill impacts arising from the proposals in this application, including the fixed rate change, are below 10% for typical low consumption residential customers.

Findings

The OEB finds that the increases to the monthly fixed charges and to low consumption residential consumers are below the thresholds set in the OEB policy and approves the increase as proposed by the applicant and calculated in the final rate model.

¹² Ibid page 2

¹³ EB-2015-0086

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 Lakeland Power EB-2012-0145, and Parry Sound EB-2010-0140 cost of service decisions, the 2016 OEB-approved Tariffs of Rates and Charges as well as the cost, revenue and consumption results from 2015 as reported by Lakeland Power 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 January 1, 2017 for electricity consumed or estimated to have been consumed on and after such date. Lakeland Power shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.

ADDRESS

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DATED at Toronto, **December 8, 2016**

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-2016-0090

DATED: December 8, 2016

Lakeland Power Distribution Ltd.

Except for the Former Parry Sound Power Service Area

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-2016-0090

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers to the supply of electrical energy to residential customers residing in detached, semi detached, town house (freehold or condominium) dwelling units, duplexes or triplexes. Supply will be limited up to a maximum of 200 amp @ 240/120 volt. 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	\$	27.15
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	\$	0.17
Distribution Volumetric Rate	\$/kWh	0.0076
Low Voltage Service Rate	\$/kWh	0.0034
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0058
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0045

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.
Except for the Former Parry Sound Power Service Area
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
ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

EB-2016-0090

In addition to the charges specified on page 1 of this tariff of rates and charges, the following credits are to be applied to eligible residential customers.

APPLICATION

The application of the charges are in accordance with the Distribution System Code (Section 9) and subsection 79.2(4) of the Ontario Energy Board Act, 1998.

The application of these 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.

In this class:

“Aboriginal person” includes a person who is a First Nations person, a Métis person or an Inuit person;

“account-holder” means a consumer who has an account with a distributor that falls within a residential-rate classification as specified in a rate order made by the Ontario Energy Board under section 78 of the Act, and who lives at the service address to which the account relates for at least six months in a year;

“electricity-intensive medical device” means an oxygen concentrator, a mechanical ventilator, or such other device as may be specified by the Ontario Energy Board;

“household” means the account-holder and any other people living at the accountholder’s service address for at least six months in a year, including people other than the account-holder’s spouse, children or other relatives;

“household income” means the combined annual after-tax income of all members of a household aged 16 or over;

MONTHLY RATES AND CHARGES**Class A**

- (a) account-holders with a household income of \$28,000 or less living in a household of one or two persons;
- (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of three persons;
- (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of five persons;

and

- (d) account-holders with a household income of between \$48,001 and \$52,000 living in a household of seven or more persons;

but does not include account-holders in Class E.

OESP Credit

\$ (30.00)

Class B

- (a) account-holders with a household income of \$28,000 or less living in a household of three persons;
- (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of four persons;
- (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of six persons;

but does not include account-holders in Class F.

OESP Credit

\$ (34.00)

Class C

- (a) account-holders with a household income of \$28,000 or less living in a household of four persons;
- (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of five persons;
- (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of seven or more persons;

but does not include account-holders in Class G.

OESP Credit

\$ (38.00)

Lakeland Power Distribution Ltd.
Except for the Former Parry Sound Power Service Area
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2017
This schedule supersedes and replaces all previously
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Class D

(a) account-holders with a household income of \$28,000 or less living in a household of five persons; and

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of six persons;

but does not include account-holders in Class H.

OESP Credit \$ (42.00)

Class E

Class E comprises account-holders with a household income and household size described under Class A who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (45.00)

Class F

(a) account-holders with a household income of \$28,000 or less living in a household of six or more persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of seven or more persons; or

(c) account-holders with a household income and household size described under Class B who also meet any of the following conditions:

i. the dwelling to which the account relates is heated primarily by electricity;

ii. the account-holder or any member of the account-holder's household is an Aboriginal person; or

iii. the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates

OESP Credit \$ (50.00)

Class G

Class G comprises account-holders with a household income and household size described under Class C who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (55.00)

Class H

Class H comprises account-holders with a household income and household size described under Class D who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person ; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (60.00)

Class I

Class I comprises account-holders with a household income and household size described under paragraphs (a) or (b) of Class F who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit \$ (75.00)

Lakeland Power Distribution Ltd.

Except for the Former Parry Sound Power Service Area

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**

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

EB-2016-0090

This classification refers to a non-residential account taking electricity at 750 volts or less whose monthly peak demand is less than or is expected to be less than 50 kW. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	45.32
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0092
Low Voltage Service Rate	\$/kWh	0.0030
Rate Rider for Application of Tax Change (2017) - effective until April 30, 2018	\$/kWh	0.0002
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0053
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0042

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.

Except for the Former Parry Sound Power Service Area

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**

GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

EB-2016-0090

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is expected 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.

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	\$	319.19
Distribution Volumetric Rate	\$/kW	2.8703
Low Voltage Service Rate	\$/kW	1.3870
Rate Rider for Application of Tax Change (2017) - effective until April 30, 2018	\$/kW	0.0247
Retail Transmission Rate - Network Service Rate	\$/kW	2.2489
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.7705

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.

Except for the Former Parry Sound Power Service Area

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

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

EB-2016-0090

This classification refers to a non-residential account taking electricity at 240/120 or 120 volts whose monthly peak demand is less than or expected to be less than 50 kW and is unmetered. A detailed calculation of the load will be calculated for billing purposes. 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	\$	12.96
Distribution Volumetric Rate	\$/kWh	0.0059
Low Voltage Service Rate	\$/kWh	0.0030
Rate Rider for Application of Tax Change (2017) - effective until April 30, 2018	\$/kWh	0.0003
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0053
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0042

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.

Except for the Former Parry Sound Power Service Area

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**

SENTINEL LIGHTING SERVICE CLASSIFICATION

EB-2016-0090

This classification refers to accounts that are 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 Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	6.49
Distribution Volumetric Rate	\$/kW	22.4742
Low Voltage Service Rate	\$/kW	0.9526
Rate Rider for Application of Tax Change (2017) - effective until April 30, 2018	\$/kW	0.2751
Retail Transmission Rate - Network Service Rate	\$/kW	1.6804
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.3048

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.

Except for the Former Parry Sound Power Service Area

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**

STREET LIGHTING SERVICE CLASSIFICATION

EB-2016-0090

This classification refers to accounts concerning roadway lighting for a Municipality, Regional Municipality, and/or the Ministry of Transportation. This lighting will be controlled by photocells. The consumption for these customers will be based on the calculated connected load times as established in the approved Ontario Energy Board Street Lighting Load Shape Template. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.34
Distribution Volumetric Rate	\$/kW	16.3847
Low Voltage Service Rate	\$/kW	0.9330
Rate Rider for Application of Tax Change (2017) - effective until April 30, 2018	\$/kW	0.2811
Retail Transmission Rate - Network Service Rate	\$/kW	1.6381
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2922

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.

Except for the Former Parry Sound Power Service Area

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**

microFIT SERVICE CLASSIFICATION

EB-2016-0090

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 Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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Lakeland Power Distribution Ltd.

Except for the Former Parry Sound Power Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2017

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ALLOWANCES

		EB-2016-0090
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)

SPECIFIC SERVICE CHARGES

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

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

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

Customer Administration

Arrears certificate	\$	15.00
Statement of account	\$	15.00
Request for other billing information	\$	15.00
Income tax letter	\$	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)	\$	30.00
Special meter reads	\$	30.00

Non-Payment of Account

Late payment - per month	%	1.50
Late payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Collection of account charge - no disconnection - after regular hours	\$	165.00
Disconnect/reconnect at meter - during regular hours	\$	65.00
Disconnect/reconnect at meter - after regular hours	\$	185.00
Disconnect/reconnect at pole - during regular hours	\$	185.00
Disconnect/reconnect at pole - after regular hours	\$	415.00
Install/remove load control device - during regular hours	\$	65.00
Install/remove load control device - after regular hours	\$	185.00

Other

Temporary service - install & remove - overhead - no transformer	\$	500.00
Specific charge for access to the power poles - per pole/year (with the exception of wireless attachments)	\$	22.35

Lakeland Power Distribution Ltd.

Except for the Former Parry Sound Power Service Area

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**

RETAIL SERVICE CHARGES (if applicable)

EB-2016-0090

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 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	1.0743
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0637

Lakeland Power Distribution Ltd.

For Former Parry Sound Power Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

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

EB-2016-0090

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies 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. All customers are single-phase. 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	\$	30.68
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement - in effect until the effective date of the next cost of service-based rate order	\$	4.11
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0112
Low Voltage Service Rate	\$/kWh	0.0011
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017 Applicable only for Non-RPP Customers	\$/kWh	0.0104
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kWh	0.0044
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0044
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0034

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.

For Former Parry Sound Power Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

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ONTARIO ELECTRICITY SUPPORT PROGRAM RECIPIENTS

In addition to the charges specified on page 1 of this tariff of rates and charges, the following credits are to be applied to eligible residential customers.

APPLICATION

The application of the charges are in accordance with the Distribution System Code (Section 9) and subsection 79.2(4) of the Ontario Energy Board Act, 1998.

The application of these 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.

In this class:

“Aboriginal person” includes a person who is a First Nations person, a Métis person or an Inuit person;

“account-holder” means a consumer who has an account with a distributor that falls within a residential-rate classification as specified in a rate order made by the Ontario Energy Board under section 78 of the Act, and who lives at the service address to which the account relates for at least six months in a year;

“electricity-intensive medical device” means an oxygen concentrator, a mechanical ventilator, or such other device as may be specified by the Ontario Energy Board;

“household” means the account-holder and any other people living at the accountholder’s service address for at least six months in a year, including people other than the account-holder’s spouse, children or other relatives;

“household income” means the combined annual after-tax income of all members of a household aged 16 or over;

MONTHLY RATES AND CHARGES

Class A

- (a) account-holders with a household income of \$28,000 or less living in a household of one or two persons;
 - (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of three persons;
 - (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of five persons;
 - and
 - (d) account-holders with a household income of between \$48,001 and \$52,000 living in a household of seven or more persons;
- but does not include account-holders in Class E.
OESP Credit

\$ (30.00)

Class B

- (a) account-holders with a household income of \$28,000 or less living in a household of three persons;
 - (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of four persons;
 - (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of six persons;
- but does not include account-holders in Class F.
OESP Credit

\$ (34.00)

Class C

- (a) account-holders with a household income of \$28,000 or less living in a household of four persons;
 - (b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of five persons;
 - (c) account-holders with a household income of between \$39,001 and \$48,000 living in a household of seven or more persons;
- but does not include account-holders in Class G.
OESP Credit

\$ (38.00)

Lakeland Power Distribution Ltd.
For Former Parry Sound Power Service Area
TARIFF OF RATES AND CHARGES
Effective and Implementation Date January 1, 2017
This schedule supersedes and replaces all previously
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Class D

(a) account-holders with a household income of \$28,000 or less living in a household of five persons; and

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of six persons;

but does not include account-holders in Class H.

OESP Credit	\$	(42.00)
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Class E

Class E comprises account-holders with a household income and household size described under Class A who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit	\$	(45.00)
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Class F

(a) account-holders with a household income of \$28,000 or less living in a household of six or more persons;

(b) account-holders with a household income of between \$28,001 and \$39,000 living in a household of seven or more persons; or

(c) account-holders with a household income and household size described under Class B who also meet any of the following conditions:

i. the dwelling to which the account relates is heated primarily by electricity;

ii. the account-holder or any member of the account-holder's household is an Aboriginal person; or

iii. the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates

OESP Credit	\$	(50.00)
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Class G

Class G comprises account-holders with a household income and household size described under Class C who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit	\$	(55.00)
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Class H

Class H comprises account-holders with a household income and household size described under Class D who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person ; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit	\$	(60.00)
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Class I

Class I comprises account-holders with a household income and household size described under paragraphs (a) or (b) of Class F who also meet any of the following conditions:

(a) the dwelling to which the account relates is heated primarily by electricity;

(b) the account-holder or any member of the account-holder's household is an Aboriginal person; or

(c) the account-holder or any member of the account-holder's household regularly uses, for medical purposes, an electricity-intensive medical device at the dwelling to which the account relates.

OESP Credit	\$	(75.00)
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Lakeland Power Distribution Ltd.

For Former Parry Sound Power Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

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

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	34.85
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement - in effect until the effective date of the next cost of service-based rate order	\$	8.52
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0143
Low Voltage Service Rate	\$/kWh	0.0008
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017 Applicable only for Non-RPP Customers	\$/kWh	0.0104
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kWh	0.0044
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0040
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0031

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.

For Former Parry Sound Power Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

This schedule supersedes and replaces all previously
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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 (2017) is only applicable to non-RPP Class B customers. It is not applicable to WMP and customers that transitioned between Class A and Class B in the period of last Global Adjustment disposition to 2015. These transition customers 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 in accordance with a customer's Class A or Class B classification as at December 31, 2015 and the above noted exception for 2015 transition customers, for the entire period to the sunset date of the rate rider.

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	\$	200.83
Distribution Volumetric Rate	\$/kW	4.0327
Low Voltage Service Rate	\$/kW	0.4071
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017 Applicable only for Non-RPP Customers	\$/kWh	0.0104
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kW	1.7304
Retail Transmission Rate - Network Service Rate	\$/kW	1.6092
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.2107
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	1.9149
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.4685

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.

For Former Parry Sound Power Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

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

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/ documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. Class B consumers are defined in accordance with O. Reg. 429/04. Further servicing details are available in the distributor's Conditions of Service.

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	24.13
Distribution Volumetric Rate	\$/kWh	0.1408
Low Voltage Service Rate	\$/kWh	0.0010
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kWh	0.0043
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0040
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0031

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.

For Former Parry Sound Power Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

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

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 Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	4.51
Distribution Volumetric Rate	\$/kW	17.4596
Low Voltage Service Rate	\$/kW	0.3916
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kW	1.5508
Retail Transmission Rate - Network Service Rate	\$/kW	1.2201
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.9559

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.

For Former Parry Sound Power Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

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

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 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 Debt Retirement Charge, the Global Adjustment and the HST.

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge (per connection)	\$	2.87
Distribution Volumetric Rate	\$/kW	28.7432
Low Voltage Service Rate	\$/kW	0.3635
Rate Rider for Disposition of Global Adjustment Account (2017) - effective until December 31, 2017 Applicable only for Non-RPP Customers	\$/kWh	0.0104
Rate Rider for Disposition of Deferral/Variance Accounts (2017) - effective until December 31, 2017	\$/kW	1.3625
Retail Transmission Rate - Network Service Rate	\$/kW	1.2135
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	0.9359

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0036
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Ontario Electricity Support Program Charge (OESP)	\$/kWh	0.0011
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Lakeland Power Distribution Ltd.
For Former Parry Sound Power Service Area
TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

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

microFIT SERVICE CLASSIFICATION

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

APPLICATION

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

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

MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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Lakeland Power Distribution Ltd.

For Former Parry Sound Power Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

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ALLOWANCES

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

SPECIFIC SERVICE CHARGES

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

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

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

Customer Administration

Arrears certificate	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheque	\$	15.00
Legal letter charge	\$	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
Disconnect/reconnect at meter - during regular hours	\$	65.00
Disconnect/reconnect at pole - during regular hours	\$	185.00
Collection of account charge - no disconnection	\$	30.00
Install/remove load control device - during regular hours	\$	65.00

Other

Temporary service - install & remove - overhead - no transformer	\$	500.00
Temporary service - install & remove - underground - no transformer	\$	300.00
Temporary service - install & remove - overhead - with transformer	\$	1,000.00
Service call - customer-owned equipment	\$	30.00
Specific charge for access to the power poles - \$/pole/year (with the exception of wireless attachments)	\$	22.35

Lakeland Power Distribution Ltd.

For Former Parry Sound Power Service Area

TARIFF OF RATES AND CHARGES

Effective and Implementation Date January 1, 2017

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RETAIL SERVICE CHARGES (if applicable)

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

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

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments, or credits that are required by law to be invoiced by a distributor and that are not subject to Ontario Energy Board approval, such as the 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	1.0809
Total Loss Factor - Primary Metered Customer < 5,000 kW	1.0700

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-2016-0090

DATED: December 8, 2016

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
- Ontario Electricity Support Program
- Transformation and primary metering allowances
- Loss factors
- Specific service charges
- microFIT charge
- Retail service charges