



**EB-2012-0084**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule B);

**AND IN THE MATTER OF** an application by PUC Distribution Inc. for an order or orders approving or fixing just and reasonable distribution rates related to Smart Meter deployment, to be effective May 1, 2012.

**BEFORE:** Ken Quesnelle  
Presiding Member

Marika Hare  
Member

## **FINAL RATE ORDER**

### **Introduction**

PUC Distribution Inc. ("PUC"), a licensed distributor of electricity, filed an application (the "Application") with the Ontario Energy Board (the "Board") on March 5, 2012 under section 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that PUC charges for electricity distribution, to be effective May 1, 2012.

PUC sought Board approval for the disposition and recovery of costs related to smart meter deployment, offset by Smart Meter Funding Adder ("SMFA") revenues collected from May 1, 2006 to April 30, 2012. PUC requested approval of proposed Smart Meter Disposition Riders ("SMDRs") and Smart Meter Incremental Revenue Requirement Rate Riders ("SMIRRs") effective May 1, 2012.

In its Decision and Order on the Application issued on July 19, 2012, the Board ordered PUC to file with the Board a draft Rate Order attaching a proposed Tariff of Rates and

Charges reflecting the Board's findings, within 7 days of the date of the Decision and Order. In developing its draft Rate Order, PUC was directed to establish the SMDRs based on a 9-month recovery period to April 30, 2013 and to accommodate within the SMDR the applicable revenue requirement amounts related to the months of May, June and July of 2012. The draft Rate Order was also to include customer rate impacts.

On July 26, 2012, PUC filed revised models, rate rider calculations and a proposed Tariff of Rates and Charges. On July 27, 2012, Board staff filed a letter indicating that it had reviewed the material filed by PUC and submitted that PUC had not properly allocated SMFA revenues on the basis of actual revenues collected from each class when calculating the SMDRs. In the SMDR calculations included in its draft Rate Order PUC had allocated SMFA revenues based on the percentage of the revenue requirement for historical costs that was allocated to each class. Board staff recalculated the SMDRs using the SMFA revenue allocation method approved by the Board in the Decision and Order. On August 2, 2012, PUC filed a letter indicating that it agreed with Board staff's comments including the updated calculations provided. VECC did not submit any comments on the material filed.

The Board has reviewed the information provided by PUC and Board staff's comments on the proposed Tariff of Rates and Charges. The Board agrees with Board staff's comments and is satisfied that the attached Tariff of Rates and Charges accurately reflects the Board's Decision.

#### **THE BOARD ORDERS THAT:**

1. The Tariff of Rates and Charges set out in Appendix A of this Order will become final effective May 1, 2012 and will apply to electricity consumed or estimated to have been consumed on and after August 1, 2012. PUC shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

**DATED** at Toronto, August 16, 2012

#### **ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

**APPENDIX A**

To RATE ORDER

PUC Distribution Inc.

EB-2012-0084

August 16, 2012

**PUC Distribution Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective Date May 1, 2012 and Implementation Date August 1, 2012**

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

EB-2011-0101  
EB-2012-0084

## RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a single family unit, non-commercial. This can be a separately metered living accommodation, town house, apartment, semi-detached, duplex, triplex or quadruplex with residential zoning. 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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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

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

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

### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	8.81
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2013	\$	(0.43)
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	3.46
Distribution Volumetric Rate	\$/kWh	0.0152
Rate Rider for Tax Adjustments – effective until April 30, 2013	\$/kWh	(0.0004)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until April 30, 2013	\$/kWh	0.0015
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0009)
Rate Rider for Global Adjustment Sub-Account Disposition – effective until April 30, 2013	\$/kWh	(0.0009)
Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0066

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**PUC Distribution Inc.**  
**TARIFF OF RATES AND CHARGES**  
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EB-2011-0101  
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## **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 peak demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

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

Service Charge	\$	15.00
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2013	\$	9.77
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	8.61
Distribution Volumetric Rate	\$/kWh	0.0180
Rate Rider for Tax Adjustments – effective until April 30, 2013	\$/kWh	(0.0004)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until April 30, 2013	\$/kWh	0.0001
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0009)
Rate Rider for Global Adjustment Sub-Account Disposition – effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kWh	(0.0009)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0061

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

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**PUC Distribution Inc.**  
**TARIFF OF RATES AND CHARGES**  
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EB-2011-0101  
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## GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly peak demand used for billing purposes over the past 12 months is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. 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 Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	146.74
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2013	\$	23.13
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	14.22
Distribution Volumetric Rate	\$/kW	4.4234
Rate Rider for Tax Adjustments – effective until April 30, 2013	\$/kW	(0.0927)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until April 30, 2013	\$/kW	0.0172
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(0.3332)
Rate Rider for Global Adjustment Sub-Account Disposition – effective until April 30, 2013 Applicable only for Non-RPP Customers	\$/kW	(0.3407)
Retail Transmission Rate – Network Service Rate	\$/kW	2.4921
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	3.1342

### MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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## **UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION**

This classification applies to an account taking electricity at 750 volts or less whose average monthly peak 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 customer will provide detailed manufacturer information documentation with regard to electrical demand/consumption of the proposed unmetered load. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

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

Service Charge (per customer)	\$	11.13
Distribution Volumetric Rate	\$/kWh	0.0273
Rate Rider for Tax Adjustments – effective until April 30, 2013	\$/kWh	(0.0005)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kWh	(0.0009)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0061

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

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**PUC Distribution Inc.**  
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## **SENTINEL LIGHTING SERVICE CLASSIFICATION**

This classification applies to safety/security lighting with a Residential or General Service customer. This is typically exterior lighting, and unmetered. Consumption is estimated based on the equipment rating and estimated hours of use. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

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

Service Charge (per connection)	\$	2.57
Distribution Volumetric Rate	\$/kW	23.9750
Rate Rider for Tax Adjustments – effective until April 30, 2013	\$/kW	(0.6986)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(0.3452)
Retail Transmission Rate – Network Service Rate	\$/kW	1.8891

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

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25



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## **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 operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template. Further servicing details are available in the distributor's Conditions of Service.

### **APPLICATION**

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

Service Charge (per connection)	\$	2.58
Distribution Volumetric Rate	\$/kW	16.8045
Rate Rider for Tax Adjustments – effective until April 30, 2013	\$/kW	(0.4907)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	\$/kW	(0.2953)
Rate Rider for Global Adjustment Sub-Account Disposition – effective until April 30, 2013		
Applicable only for Non-RPP Customers	\$/kW	(0.2815)
Retail Transmission Rate – Network Service Rate	\$/kW	1.8795

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

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**PUC Distribution Inc.**  
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**microFIT GENERATOR SERVICE CLASSIFICATION**

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

**APPLICATION**

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**MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	5.25
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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

### APPLICATION

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<b>Customer Administration</b>		
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned Cheque (plus bank charges)	\$	15.00
Legal letter	\$	15.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
<b>Non-Payment of Account</b>		
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 Charge- At Meter During Regular Hours	\$	65.00
Disconnect/Reconnect Charge - At Meter After Hours	\$	185.00
Disconnect/Reconnect Charge - At Pole During Regular Hours	\$	185.00
Disconnect/Reconnect Charge - At Pole After Hours	\$	415.00
Install/Remove load control device – during regular hours	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00
Service call – customer-owned equipment		Time & materials
Service call – after regular hours		Time & materials
Temporary service install & remove – overhead – no transformer		Time & materials
Temporary service install & remove – underground – no transformer		Time & materials
Temporary service install & remove – overhead – with transformer		Time & materials
Removal of overhead lines – during regular hours		Time & materials
Removal of overhead lines – after hours		Time & materials
Roadway escort – after regular hours		Time & materials
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35

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## **RETAIL SERVICE CHARGES (if applicable)**

### **APPLICATION**

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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	1.0454
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0350