



**EB-2011-0293**

**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 Atikokan  
Hydro Inc. for an order approving just and reasonable  
rates and other charges for electricity distribution to be  
effective May 1, 2012.

**BEFORE:** Paul Sommerville  
Presiding Member

Marika Hare  
Member

**FINAL RATE ORDER**  
**August 23, 2012**

Atikokan Hydro Inc. ("Atikokan") filed an application (the "Application") with the Ontario Energy Board (the "Board") on September 30, 2011 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 Atikokan charges for electricity distribution, to be effective May 1, 2012. The Board assigned the Application file number EB-2011-0293.

On October 24, 2011, the Board issued a letter to Atikokan identifying certain additional evidence that needed to be filed before the Board would consider the Application. Atikokan filed the requested additional evidence on December 14, 2011.

The Board issued its Decision and Order (the "Decision") on the Application on June 18, 2012. In its Decision, the Board made findings that altered the proposed 2012 revenue

requirement and rates to recover the revenue requirement and other approved amounts with respect to deferral and variance account (“DVA”) balances.

The Board approved an effective date of July 1, 2012 for the new rates and ordered Atikokan to file a draft Rate Order comprising a proposed Tariff of Rates and Charges and detailed supporting material to include but not be limited to a completed version of the Revenue Requirement Work Form (“RRWF”) in an Excel format.

Atikokan filed a draft Rate Order comprising a proposed Tariff of Rates and Charges, an updated RRWF and other supporting documentation on July 3, 2012. Board staff and VECC filed submissions on July 10, 2012.

In response to the submissions of Board staff and VECC, Atikokan filed a revised draft Rate Order comprising a revised proposed Tariff of Rates and Charges and a revised RRWF and other supporting documentation on July 16, 2012. Atikokan agreed with and reflected the submissions of Board staff and VECC with the exception of Board staff’s comment that the R/C ratios should comply with the numbers as documented in the Decision.

As a result of changes made in the updated DRO, Atikokan filed revised R/C ratios as follows:

**Table 1: Revenue-to-Cost Ratios**

Customer Class	Revenue-to-Cost Ratio		
	VECC IR # 5, approved in Decision and Order	DRO (July 3, 2012)	Revised DRO (July 16, 2012)
Residential	97.3%	98.26%	99.3%
GS < 50 kW	120%	120%	120.0%
GS > 50 kW	90.6%	88.01%	85.4%
Streetlighting	90.6%	88.01%	85.4%

Atikokan explained that adhering to the R/C ratios documented in the Decision would move the Residential R/C ratio further away from unity, which in principle is inappropriate and against the Board’s policy and practice.

On August 2, 2012, the Board issued a Decision on Draft Rate Order directing Atikokan to file a second revised draft Rate Order using the revenue-to-cost ratios approved by the Board in the Decision and Order, on the basis that the Board’s determination was

final. In its Decision on Draft Rate Order, the Board noted that it would not be possible to implement new rates on the approved effective date of July 1, 2012. The Board stated that rates would be implemented September 1, 2012. In filing a second revised draft Rate Order, the Board directed that Atikokan should calculate rate riders to recover the foregone revenues for the period from July 1 to August 31, 2012. The Board also directed that the recovery period for the deferral and variance account balances approved for disposition should be changed to 44 months (September 1, 2012 to April 30, 2016) from 46 months (July 1, 2012 to April 30, 2012) to correspond with the new implementation date.

On August 2, 2012, Atikokan filed a second revised draft Rate Order. Atikokan complied with the Board's directions in the Decision on Draft Rate Order, specifically:

- The adjustment of rates to reflect the specifically approved R/C ratios the Board approved in the Decision and Order of June 18, 2012;
- The recalculation of various rate riders for the disposition of deferral and variance accounts from 46 months to 44 months; and
- The calculation of foregone revenue rate riders to accommodate the implementation date of September 1, 2012.

Atikokan also noted that it made a minor adjustment so that the PP&E amortization would also correspond to a 44 month amortization period from September 1, 2012 to April 30, 2016, analogous with the adjusted recovery period for deferral and variance account rate riders. The utility provided complete documentation in support of its second revised draft Rate Order.

The Board is satisfied that the second revised Tariff of Rates and Charges and accompanying materials filed on August 7, 2012 accurately reflect the Board's Decision and Order of June 18, 2012 and the Decision on Draft Rate Order of August 2, 2012.

With this Rate Order, the Board is providing Atikokan with a final Tariff of Rates and Charges (Appendix "A") that reflects the elements of the Decision.

**THE BOARD ORDERS THAT:**

1. The Tariff of Rates and Charges for Atikokan Hydro Inc. set out in Appendix "A" of this Rate Order is approved effective July 1, 2012 and implemented September 1, 2012 for electricity consumed or estimated to have been consumed on and after such date. Atikokan Hydro Inc. shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

**DATED** at Toronto, August 23, 2012  
**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

**Appendix A  
To Decision and Order**

**Draft Tariff of Rates and Charges**

**Board File No: EB-2011-0293**

**DATED: August 23, 2012**

# Atikokan Hydro Inc.

## TARIFF OF RATES AND CHARGES

**Effective Date July 1, 2012**  
**Implementation Date September 1, 2012**

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

EB-2011-0293

### RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. 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	\$	33.99
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until August 31, 2015	\$	0.48
Rate Rider for Recovery of Stranded Meter Assets – effective until August 31, 2015	\$	0.39
Rate Rider for Recovery of Foregone Revenue – Fixed Charge – effective until April 30, 2013	\$	0.85
Distribution Volumetric Rate	\$/kWh	0.0134
Rate Rider for Recovery of Foregone Revenue – Volumetric Charge – effective until April 30, 2013	\$/kWh	0.0003
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2016		
Applicable only for Non-RPP Customers	\$/kWh	0.0004
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2016	\$/kWh	0.0009
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0063
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0037

### 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

Issuance Date August 23, 2012

**Atikokan Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective Date July 1, 2012**  
**Implementation Date September 1, 2012**

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

EB-2011-0293

## 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. 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	\$	74.07
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until August 31, 2015	\$	0.78
Rate Rider for Recovery of Stranded Meter Assets – effective until August 31, 2015	\$	0.39
Rate Rider for Recovery of Foregone Revenue – Fixed Charge – effective until April 30, 2013	\$	1.01
Distribution Volumetric Rate	\$/kWh	0.0094
Rate Rider for Recovery of Foregone Revenue – Volumetric Charge – effective until April 30, 2013	\$/kWh	0.0001
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2016		
Applicable only for Non-RPP Customers	\$/kWh	0.0004
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2016	\$/kWh	0.0007
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0056
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0032

### 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

**Atikokan Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective Date July 1, 2012**  
**Implementation Date September 1, 2012**

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

EB-2011-0293

## 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. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply:

- General Service 50 to 999 kW non-interval metered
- General Service 50 to 999 kW interval metered
- General Service 1,000 to 4,999 kW interval metered

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	\$	547.77
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until August 31, 2015	\$	3.80
Rate Rider for Recovery of Stranded Meter Assets – effective until August 31, 2015	\$	0.39
Rate Rider for Recovery of Foregone Revenue – Fixed Charge – effective until April 30, 2013	\$	26.76
Distribution Volumetric Rate	\$/kW	2.1698
Rate Rider for Recovery of Foregone Revenue – Volumetric Charge – effective until April 30, 2013	\$/kW	0.1134
Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2016		
Applicable only for Non-RPP Customers	\$/kW	0.1410
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2016	\$/kW	0.1984
Retail Transmission Rate – Network Service Rate	\$/kW	2.2668
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.4048
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2627
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.3956

### 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

Issuance Date August 23, 2012

**Atikokan Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective Date July 1, 2012**  
**Implementation Date September 1, 2012**

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

EB-2011-0293

## **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. 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 (per connection)	\$	11.87
Rate Rider for Recovery of Foregone Revenue – Fixed Charge – effective until April 30, 2013	\$	0.93
Distribution Volumetric Rate	\$/kW	14.6362
Rate Rider for Recovery of Foregone Revenue – Volumetric Charge – effective until April 30, 2013	\$/kW	1.1524
Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2016 Applicable only for Non-RPP Customers	\$/kW	0.1329
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2016	\$/kW	1.4517
Retail Transmission Rate – Network Service Rate	\$/kW	1.7097
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.9760

### **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

**Atikokan Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective Date July 1, 2012**  
**Implementation Date September 1, 2012**

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

EB-2011-0293

## **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**

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	\$	5.25
----------------	----	------

### **ALLOWANCES**

Transformer Allowance for Ownership – per kW of billing demand/month	\$	(0.29)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

**Atikokan Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective Date July 1, 2012**  
**Implementation Date September 1, 2012**

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

EB-2011-0293

## **SPECIFIC SERVICE CHARGES**

### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the 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 Board, and amendments thereto as approved by the 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 Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

Customer Administration		
Returned Cheque charge (plus bank charges)	\$	25.00
Account set up charge / change of occupancy charge (plus credit agency costs if applicable)	\$	25.00
Special Meter reads	\$	25.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	25.00
Disconnect/Reconnect at Meter – during regular hours	\$	28.00
Disconnect/Reconnect at Meter – after regular hours	\$	315.00
Disconnect/Reconnect at Pole – during regular hours	\$	28.00
Disconnect/Reconnect at Pole – after regular hours	\$	315.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35

**Atikokan Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
**Effective Date July 1, 2012**  
**Implementation Date September 1, 2012**

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

EB-2011-0293

## RETAIL SERVICE CHARGES (if applicable)

### 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.

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	1.0778
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0671

Issuance Date August 23, 2012