



**EB-2012-0094**

**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 Cooperative  
Hydro Embrun 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**

**August 23, 2012**

### **Introduction**

Cooperative Hydro Embrun Inc. ("CHEI"), a licensed distributor of electricity, filed an application (the "Application") with the Ontario Energy Board (the "Board") on March 16, 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 CHEI charges for electricity distribution, to be effective May 1, 2012.

CHEI 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. CHEI 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 26, 2012, the Board ordered CHEI to file with the Board a draft Rate Order (“DRO”) attaching a proposed Tariff of Rates and Charges reflecting the Board’s findings, within 7 days of the date of the Decision and Order. The DRO was also to include customer rate impacts and detailed supporting information showing the calculation of the final rates.

On August 1, 2012, CHEI filed a DRO with revised models and a proposed Tariff of Rates and Charges.

On August 8, 2012 Board staff filed comments on the DRO. Board staff noted that CHEI had not accounted for interest on OM&A and depreciation expenses to August 31, 2012 due to the September 1, 2012 implementation date approved in the Decision and Order. In addition, Board staff noted that, in the Smart Meter Model, CHEI used sheet 8B for calculating interest on OM&A and depreciation expenses. Board staff submitted that the interest is more accurately calculated using sheet 8A and not sheet 8B. Board staff’s submission included a revised Smart Meter Model which took into account these changes and also modified the class-specific SMDR to reflect the interest on SMFA revenues and on OM&A and depreciation expenses to August 31, 2012.

VECC did not submit any comments on the DRO.

On August 15, 2012, CHEI filed a reply submission on the DRO, stating that it concurred with Board staff’s comments. The reply submission was supported with an updated proposed Tariff of Rates and Charges and bill impacts.

The Board has reviewed the information provided by CHEI and Board staff’s comments on the proposed Tariff of Rates and Charges. Upon review, the Board has noted that CHEI’s DRO did not comply with the Board’s Decision and Order in that CHEI did not reflect four months of SMIRR revenues in an adjusted SMDR, to reflect the foregone revenues from May 1, 2012 to August 31, 2012. The Board has directed Board staff to make the necessary corrections, which are summarized in the following table:

	<b>Smart Meter Disposition Rider (effective September 1, 2012 to April 30, 2013)</b>	
	<i>CHEI’s Reply to DRO, August 15, 2012</i>	<i>Corrected</i>
Residential	(\$0.96)/month	(\$0.23)/month
GS < 50 kW	\$9.73/month	\$11.83/month
GS > 50 kW	\$48.78/month	\$56.13/month

With these corrections, the Board is satisfied that the attached Tariff of Rates and Charges accurately reflects the Board's Decision and Order.

**THE BOARD ORDERS THAT:**

1. The Tariff of Rates and Charges set out in Appendix A of this Order will become final effective September 1, 2012 and will apply to electricity consumed or estimated to have been consumed on and after September 1, 2012. Cooperative Hydro Embrun 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 Final Rate Order**

**Cooperative Hydro Embrun Inc.**

**Tariff of Rates and Charges**

**Board File No: EB-2012-0094**

**DATED: August 23, 2012**

# Cooperative Hydro Embrun Inc.

## TARIFF OF RATES AND CHARGES

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

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

EB-2011-0164  
EB-2012-0094

## 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. 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	\$	13.63
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2013	\$	(0.23)
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	1.44
Distribution Volumetric Rate	\$/kWh	0.0127
Low Voltage Service Rate	\$/kWh	0.0014
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until April 30, 2014	\$/kWh	0.0004
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2014	\$/kWh	(0.0021)
Rate Rider for Global Adjustment Sub-Account Disposition – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0014
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0048

## 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

**Cooperative Hydro Embrun Inc.**  
**TARIFF OF RATES AND CHARGES**  
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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 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.

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### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	20.24
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2013	\$	11.83
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	4.20
Distribution Volumetric Rate	\$/kWh	0.0167
Low Voltage Service Rate	\$/kWh	0.0013
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2014	\$/kWh	(0.0021)
Rate Rider for Global Adjustment Sub-Account Disposition – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0014
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0056
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043

### 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

**Cooperative Hydro Embrun Inc.**  
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EB-2011-0164  
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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. 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	\$	244.10
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2013	\$	56.13
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	14.30
Distribution Volumetric Rate	\$/kW	4.5228
Low Voltage Service Rate	\$/kW	0.4778
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until April 30, 2014	\$/kW	0.0284
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2014	\$/kW	(0.7109)
Rate Rider for Global Adjustment Sub-Account Disposition – effective until April 30, 2014 Applicable only for Non-RPP Customers	\$/kW	0.4834
Retail Transmission Rate – Network Service Rate	\$/kW	2.2389
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7009

### 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

**Cooperative Hydro Embrun Inc.**  
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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 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. 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 (per customer)	\$	39.82
Distribution Volumetric Rate	\$/kWh	0.0104
Low Voltage Service Rate	\$/kWh	0.0013
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2014	\$/kWh	(0.0021)
Rate Rider for Global Adjustment Sub-Account Disposition – effective until April 30, 2014		
Applicable only for Non-RPP Customers	\$/kWh	0.0014
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0056
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043

### 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, 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)	\$	1.59
Distribution Volumetric Rate	\$/kW	6.4834
Low Voltage Service Rate	\$/kW	0.3694
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2014	\$/kW	(0.7349)
Retail Transmission Rate – Network Service Rate	\$/kW	1.6886
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3149

### **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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**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.

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**MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	5.25
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# Cooperative Hydro Embrun Inc.

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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>		
Arrears Certificate	\$	15.00
Statement of Account	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Income tax letter	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	25.00
Returned cheques charge (plus bank charges)	\$	15.00
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	15.00
Special meter reads	\$	20.00
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	\$	20.00
Collection of account charge – no disconnection – after regular hours	\$	50.00
Disconnect/Reconnect Charge - At Meter during Regular Hours	\$	25.00
Disconnect/Reconnect Charge - At Meter after Regular Hours	\$	50.00
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	\$	25.00
Install/Remove load control device – after regular hours	\$	50.00
Service call – customer owned equipment	\$	30.00
Service call – after regular hours	\$	165.00
Temporary service installation and removal – overhead – no transformer	\$	500.00
Temporary service installation and removal – underground – no transformer	\$	300.00

Updated August 23, 2012 for Smart Meter Decision EB-2012-0094

# Cooperative Hydro Embrun Inc.

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Temporary service installation and removal – overhead – with transformer	\$	1,000.00
Specific charge for access to power poles \$/pole/year	\$	22.35

## 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	1.0579
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0473
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A

Updated August 23, 2012 for Smart Meter Decision EB-2012-0094