



September 25, 2018

**VIA EMAIL, RESS & COURIER**

Ms. Kirsten Walli, Board Secretary  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Collus PowerStream Corp. ("CollusLDC")  
EB-2017-0373/EB-2017-0374  
1% Rate Reduction for Residential Customers**

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On Sept 24, 2018, EPCOR Collingwood Distribution Corp. ("EPCOR") filed a letter with the OEB regarding the implementation of the negative rate rider for residential consumers as approved in Decision and Order EB-2017-0373 and EB-2017-0374. That submission identified a rate rider of (\$0.29)/month and was predicated on a deemed average residential consumer using 750 kWh's/month. After discussion with OEB Staff, the historical average monthly residential consumption is 690.63 kWh's and as such the revised calculation of this rate rider should be as follows:

The calculation of the rate rider can be determined as:

**Service Charge:** Currently \$21.41 per 30 day period - calculates to a 1% negative rate rider of (\$0.2141) (subject to rounding)

**Distribution Volumetric Rate:** \$0.0053 per kWh - calculates to a rate rider of (\$0.000053). (subject to rounding)

The total expected bill reduction per customer per month (based on average residential consumption of 690.63kWh) is \$0.21 (fixed component) +\$0.04 (variable component) for a total of \$0.25.

As referenced in the OEB report EB-2012-0410, Rate Design for Electricity Distributors, LDC's have been instructed to pursue a fixed rate design over a transition period. Using the current IRM model as a design, CollusLDC expects to complete to a fully fixed residential distribution rate as of May 1<sup>st</sup>, 2019. As this rate rider is expected to last for the first five years, the above calculated rate rider would be created in conflict with the spirit of this policy.

**As such, EPCOR is proposing a simplified calculation of a fixed rate rider of (\$0.25) per residential connection per month.**

EPCOR also proposes to have this rate rider commence October 1, 2018, the anticipated day of the closing of the transaction and the earliest the transaction can close, or on the day of close (whichever is later) to demonstrate diligence and responsibility in meeting the commitments outlined in the MAAD application.

Should you have any questions, please do not hesitate to contact the undersigned.

Sincerely,

*[Original signed by]*

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