Commission de l'énergie de l'Ontario



EB-2009-0177

**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 Middlesex Power Distribution Corporation for an order approving just and reasonable rates and other charges for electricity distribution that are charged within the Dutton Hydro Limited service area to be effective October 1, 2009.

**BEFORE:** 

Paul Vlahos Presiding Member

## RATE ORDER

Middlesex Power Distribution Corporation ("Middlesex Power") filed an application with the Ontario Energy Board (the "Board") 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 are charged within the Dutton Hydro Limited ("Dutton Hydro") service area, to be effective October 1, 2009.

The Board issued its Decision on the application on January 25, 2010. In the Decision, the Board ordered the Applicant to file a draft Rate Order reflecting the Board's findings in the Decision. The Board approved an implementation date and an effective date of March 1, 2010.

The Applicant filed a draft Rate Order and supporting material on February 1, 2010. Board staff filed comments on February 3, 2010 and the Applicant replied on February 11, 2010.

The Board has reviewed the information provided in support of the Rate Order and the proposed Tariff of Rates and Charges. The Board is satisfied that the Tariff of Rates and Charges filed accurately reflects the Board's Decision.

## Introduction of microFIT Generator Service Classification and Rate

Ontario's Feed-In Tariff ("FIT") program for renewable energy generation is a cornerstone of the province's *Green Energy and Green Economy Act, 2009*. The program was launched in September 2009, and the Ontario Power Authority ("OPA") started accepting applications on October 1, 2009.

The program includes a stream called microFIT, which is designed to encourage homeowners, businesses and others to generate renewable energy with projects of 10 kilowatts (kW) or less. MicroFIT is designed to make it simpler and faster to get small-scale renewable projects installed and producing power.

On September 21, 2009, in anticipation of the initiation of the OPA's microFIT program, the Board issued a Notice of a Proceeding and Procedural Order No. 1 to commence a proceeding on its own motion to determine a just and reasonable rate to be charged by an electricity distributor for the recovery of costs associated with an embedded generator account having a nameplate capacity of 10 kW or less ("embedded micro generator") that meets the eligibility requirements of the OPA's microFIT program. The Board assigned file number EB-2009-0326 to this proceeding.

The Board recognized the need for an appropriate cost recovery mechanism for the distributors, and the need to support the implementation of the microFIT initiative. Therefore, as part of the September 21, 2009 Notice, the Board ordered the establishment of a service classification and a rate for embedded micro generators for every licensed distributor on an interim basis. The interim rate was the fixed monthly charge equal to the distributor's existing residential monthly service charge.

The Notice provided the following service classification definition for embedded micro generation accounts for the purpose of the interim rate:

This classification applies to an electricity generation facility meeting the eligibility requirements of the Ontario Power Authority's microFIT program and connected to the distributor's distribution system. To be eligible for the microFIT program, the nameplate capacity of the generation facility can not be greater than 10 kW.

By creating this interim rate for the microFIT applications, the Board is allowing itself the flexibility to retroactively adjust the implementation date of any rate determined through a final order at the conclusion of the EB-2009-0326 proceeding.

The Board has included the micro generator service classification and associated interim rate in the attached Tariff of Rates and Charges. Until such time as the Board establishes the final rate however, the currently approved interim monthly service charge (equal to the existing residential monthly service charge) shall apply. Once the rate has been established, the Board will issue a revised Rate Order.

## THE BOARD ORDERS THAT:

- 1. The Tariff of Rates and Charges set out in Appendix "A" of this Rate Order is approved effective March 1, 2010 for electricity consumed or estimated to have been consumed on and after such date.
- 2. The Tariff of Rates and Charges set out in Appendix "A" of this Order supersedes all previous Tariff of Rates and Charges approved by the Ontario Energy Board for the Dutton Hydro Limited service area, and is final with the exception of the microFIT generator rate, which remains interim.
- Middlesex Power Distribution Corporation shall notify customers in its Dutton Hydro Limited service area of the rate changes no later than with the first bill reflecting the new rates.

DATED at Toronto, February 22, 2010

## ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli Board Secretary Appendix A

## TO RATE ORDER

## MIDDLESEX POWER DISTRIBUTION CORPORATION

### DUTTON HYDRO LIMITED

## EB-2009-0177

DATED February 22, 2010

## Middlesex Power Distribution Corp. Dutton Hydro Limited TARIFF OF RATES AND CHARGES Effective March 1, 2010

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

#### APPLICATION

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- The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Codes, Guidelines or Orders 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, Guideline or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

- This schedule does not contain any rates and charges relating to the electricity commodity (e.g. the Regulated Price Plan).

#### EFFECTIVE DATES

DISTRIBUTION RATES – March 1, 2010 for all consumption or deemed consumption services used on or after that date. SPECIFIC SERVICE CHARGES – March 1, 2010 for all charges incurred by customers on or after that date. RETAIL SERVICE CHARGES – March 1, 2010 for all charges incurred by retailers or customers on or after that date. LOSS FACTOR ADJUSTMENT – March 1, 2010 unless the distributor is not capable of prorating changed loss factors jointly with distribution rates. In that case, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

#### SERVICE CLASSIFICATIONS

#### Residential

This classification refers to the supply of electrical energy to customers residing in residential dwelling units. Further servicing details are available in the distributor's Conditions of Service.

#### General Service Less Than 50 kW

This classification applies to a non residential account taking 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.

#### Sentinel Lighting

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light.

#### Street Lighting

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. Street lighting plant, facilities or equipment owned by the customer are subject to the ESA requirements.

#### microFIT Generator (Approved on an Interim Basis)

This classification applies to an electricity generation facility meeting the eligibility requirements of the Ontario Power Authority's microFIT program and connected to the distributor's distribution system. To be eligible for the microFIT program, the nameplate capacity of the generation facility can not be greater than 10 kW.

### MONTHLY RATES AND CHARGES

#### Residential

Service Charge	\$	12.77
Distribution Volumetric Rate	\$/kWh	0.0121
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

## Middlesex Power Distribution Corp. Dutton Hydro Limited TARIFF OF RATES AND CHARGES Effective March 1, 2010

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### General Service Less Than 50 kW

Service Charge Distribution Volumetric Rate Retail Transmission Rate – Network Service Rate Retail Transmission Rate – Line and Transformation Connection Service Rate Wholesale Market Service Rate Rural Rate Protection Charge Standard Supply Service – Administrative Charge (if applicable)	\$ \$/kWh \$/kWh \$/kWh \$/kWh \$/kWh \$	26.08 0.0058 0.0052 0.0045 0.0052 0.0013 0.25
Sentinel Lighting		
Service Charge Distribution Volumetric Rate Retail Transmission Rate – Network Service Rate Retail Transmission Rate – Line and Transformation Connection Service Rate Wholesale Market Service Rate Rural Rate Protection Charge Standard Supply Service – Administrative Charge (if applicable)	\$ \$/kW \$/kW \$/kWh \$/kWh \$/kWh	0.94 4.9628 1.4113 1.6083 0.0052 0.0013 0.25
Street Lighting		
Service Charge (per connection) Distribution Volumetric Rate Retail Transmission Rate – Network Service Rate Retail Transmission Rate – Line and Transformation Connection Service Rate Wholesale Market Service Rate Rural Rate Protection Charge Standard Supply Service – Administrative Charge (if applicable)	\$ \$/kW \$/kW \$/kWh \$/kWh \$/kWh \$	0.63 2.9418 1.6002 1.3824 0.0052 0.0013 0.25
microFIT Generator – Approved on an Interim Basis		
Service Charge	\$	12.77
Specific Service Charges		
Customer Administration Arrears certificate Easement letter Credit reference/credit check (plus credit agency costs) Returned cheque (plus bank charges) Account set up charge/change of occupancy charge (plus credit agency costs if applicable) Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$ \$ \$ \$ \$ \$ \$	15.00 15.00 15.00 15.00 30.00 30.00
Non-Payment of Account Late Payment - per month Late Payment - per annum	% %	1.50 19.56
Allowances Transformer Allowance for Ownership - per kW of billing demand/month Primary Metering Allowance for transformer losses – applied to measured demand and energy	\$/kW %	(0.60) (1.00)

## Middlesex Power Distribution Corp. Dutton Hydro Limited TARIFF OF RATES AND CHARGES Effective March 1, 2010

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#### **Retail Service Charges (if applicable)**

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 retaile Monthly Fixed Charge, per retailer	er\$ \$	100.00 20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing 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		

Total Loss Factor – Secondary Metered Customer < 5,000 kW

1.0662