



EB-2010-0306

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

AND IN THE MATTER OF an application pursuant to section
74 of the *Ontario Energy Board Act, 1998* by Thunder Bay
Hydro Electricity Distribution Inc. seeking an exemption from
their Mandated Time-of-Use Pricing Date.

By delegation, before: Jennifer Lea

DECISION AND ORDER

Thunder Bay Hydro Electricity Distribution Inc. ("Thunder Bay Hydro") filed an application with the Ontario Energy Board on October 14, 2010, under section 74 of the *Ontario Energy Board Act, 1998*, seeking an exemption from their mandated time-of-use pricing date for Regulated Price Plan ("RPP") customers. The Board assigned file number EB-2010-0306 to the application.

BACKGROUND

Under cover of a letter to all Ontario electricity distributors dated August 4, 2010, the Ontario Energy Board provided its determination of mandatory dates by which each distributor must bill those of its regulated price plan ("RPP") customers that have eligible time-of-use meters using time-of-use pricing. The Board's determination was made pursuant to sections 3.4 and 3.5 of the Standard Supply Service Code for Electricity Distributors, which requires time-of-use pricing for RPP consumers with eligible time-of-use meters, as of the mandatory date. Compliance with this Code is a condition of licence for nearly all licensed electricity distributors in Ontario.

THE APPLICATION

Thunder Bay Hydro applied for an exemption from its mandatory time-of-use date of June 2011, and proposed a new date of August 2011. Thunder Bay cited two main reasons for the proposed new date: delays in technical tests undertaken with the Independent Electricity System Operator (the “IESO”), and the fact that Thunder Bay Hydro is leading a group of five northern Ontario utilities in the implementation of smart meters and time-of-use pricing. The proposed new date is consistent with the new cut over date provided to the applicant by the IESO.

The Notice of Application and Written Hearing for Thunder Bay Hydro’s application was issued on November 5, 2010, and interrogatories and submissions on the application were invited. The applicant responded to interrogatories filed by Board staff, providing more information about the delays and Thunder Bay Hydro’s progress to date in implementing time-of-use pricing. Neither Board staff nor any other party filed a submission on the application.

BOARD FINDINGS

I find the application should be granted. Thunder Bay Hydro will be exempted from the requirement to apply time-of-use pricing under the Standard Supply Service Code until August 31, 2011.

Thunder Bay Hydro has taken the responsible step of seeking an exemption from the Board well in advance of its mandated time-of-use date. The proposed delay is minor, a matter of two months. The applicant indicated that it would still try to meet the original date, but did not want to risk non-compliance. The reasons given in the application for missing the original date are credible and supported by the evidence filed with the application. The testing issues encountered by the applicant appear to fit the criterion of an “extraordinary and unanticipated” circumstance mentioned by the Board in its letter of August 4, 2010 as a possible ground for adjustment of a mandatory time-of-use date. The progress of Thunder Bay Hydro’s smart meter deployment and time-of-use implementation is in step with the new approved project plan with the IESO.

IT IS THEREFORE ORDERED THAT:

1. Thunder Bay Hydro Electricity Distribution Inc.'s distribution licence ED-2002-0529, specifically Schedule 3 List of Code Exemptions, is amended to include an exemption from the requirement to apply time-of-use pricing under the Standard Supply Service Code for Electricity Distributors. The exemption will expire August 31, 2011.

DATED at Toronto, January 13, 2011.

ONTARIO ENERGY BOARD

Original signed by

Jennifer Lea
Counsel, Special Projects