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# Niagara-on-the-Lake Hydro Inc.

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February 24, 2011

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

Via e-mail, RESS and courier

**Niagara-on-the-Lake Hydro Inc.**  
**OEB Case EB-2010-0295**

**Late Payment Class Action – Recovery Rate Riders**

Dear Ms. Walli

Niagara-on-the-Lake Hydro Inc. is pleased to submit the enclosed application for recovery rate riders pursuant to the Board's Decision and Order in case OEB-2010-0295.

We would be pleased to provide any further information or details that you may require.

Yours truly

 Jim Huntingdon, President  
Encl.

**Niagara-on-the-Lake Hydro Inc.**

**EB-2010-0295**

**Late Payment Penalty Class Action**

**Calculation of 12-month Recovery Rate Riders to be effective  
May 1, 2011**

**Background**

This submission is pursuant to Paragraph 5, Page 20, OEB Decision and Order dated February 22, 2011 in case EB-2010-0295. In this regard, Niagara-on-the-Lake Hydro Inc. (“NOTL”) currently has an IRM3 application currently before the Board.

As required, the submission uses NOTL RRR data for 2009, i.e. distribution revenues by customer class and numbers of customers/connections by customer class. The RRR data is provided in Attachment A to this submission, in the form of a copy of the relevant page of the actual RRR submission dated May 3, 2010. Also provided in Attachment A is a copy of the relevant page of the “2009 Yearbook of Electricity Distributors” containing most of the same data.

**Detailed Calculations**

The approved recovery amount for NOTL is \$24,800.65 as per Attachment A of the Decision and Order. The Table on the next page provides the details of the calculation of the riders, as explained below the Table.

Table – Details of Calculation

	A	B	C= A+B	D
Customer Class	2009 Distribution Revenue	Re-allocation of Sentinel Lights*	Adjusted Revenue	% of Revenue
Residential	\$ 2,214,849	\$ 655	\$ 2,215,504	48.9%
GS<50 kW	\$ 1,095,985	\$ 324	\$ 1,096,309	24.2%
GS>50kW	\$ 1,115,534	\$ 330	\$ 1,115,864	24.6%
Unmetered Scattered Loads	\$ 11,951	\$ 4	\$ 11,955	0.3%
Streetlights	\$ 87,561	\$ 26	\$ 87,587	1.9%
Sentinel Lights	\$ 1,338	\$ (1,338)	\$ -	0.0%
TOTALS	\$ 4,527,218	\$ (0)	\$ 4,527,218	100%
	(* - may not appear to add due to rounding)			
Share of LPP Class Action Costs	\$ 24,800.65			
	E	F=E x LPP	G	H=F/G/12
Customer Class	% of Revenue	Shares of Recovery	No. of Customers/ Connections	Rounded Monthly Rate Rider
Residential	48.9%	\$ 12,136.80	6,507	\$ 0.16
GS<50 kW	24.2%	\$ 6,005.71	1,230	\$ 0.41
GS>50kW	24.6%	\$ 6,112.84	121	\$ 4.21
Unmetered Scattered Loads	0.3%	\$ 65.49	22	\$ 0.25
Streetlights	1.9%	\$ 479.81	1,915	\$ 0.02
TOTALS	100%	\$ 24,800.65		

Explanation

Column A	These amounts are the RRR reported 2009 distribution revenues by class.
Column B	NOTL no longer has a sentinel light customer class as of May 1, 2009. Consequently, for the purposes of this rider calculation, the small amount of sentinel light revenue from early 2009 is allocated to the other classes in amounts proportionate to the actual revenue in those classes.
Column C	The adjusted revenue amounts by class are calculated as C=A+B.

Column D	The % shares of the total 2009 revenue by class are calculated.
Column E	This is the same data as Column D, with sentinel lights excluded.
Column F	The %-ages in Column E are applied to the "LPP" approved amount of \$24,800.65. Thus, $F = E \times LPP$
Column G	These data are the submitted RRR numbers of customers (or, as required by the Decision and Order, numbers of connections in the case of NOTL's unmetered rate classes, i.e. Streetlights and Unmetered Scattered Loads).
Column H	The monthly rate riders are calculated as $H = F/G/12$ and rounded to the nearest cent.

## Summary

The submitted rate riders for each class, to be effective for 12 months from May 1, 2011, are as follows:

- Residential \$0.16 per customer per month
- GS<50kW \$0.41 per customer per month
- GS>50kW \$4.21 per customer per month
- Unmetered Scattered Loads \$0.25 per connection per month
- Streetlights \$0.02 per connection per month

ATTACHMENT A

<b>(3) Administration</b>		Administration Labour Component (\$)	
Administration Total (\$)			177,564.27
659,990.68			
<b>Output and Revenues</b>		Wholesale KWH (kWh)	
Annual Wholesale Cost of Power (\$)			178,339,514.00
12,653,763.44			
Retail KWH (kWh)		Distribution System Losses (kWh)	
173,476,091.00		4,863,423.00	
<b>Customers, Demand and Revenues</b>			
<b>Rate Class</b>	<b>Number</b>	<b>Billed kWh</b>	<b>Revenues Account (4080)</b>
Residential Customers	6,507	63,529,367.00	2,214,848.63
<b>Rate Class</b>			
<b>Rate Class</b>	<b>Number</b>	<b>Billed kW</b>	<b>Revenues Account (4080)</b>
General Service < 50 kW Customers	1,230		1,095,984.60
General Service >= 50 kW Customers	121	194,071	1,115,533.79
Large Use (>5,000 kW) Customers			
Street Lighting Connections	1,915	2,864	87,560.89
Sentinel Lighting Connections	71	127	1,337.98
Sub Transmission			
Scattered Unmetered Loads	22		11,950.96
		202,191.00	
<b>Net Metering Initiative</b>			



Statistics by Customer Class For the year ended December 31, 2009 (Alphabetically Listed)	Middlesex Power Distribution Corporation	Midland Power Utility Corporation	Milton Hydro Distribution Inc.	Newmarket - Tay Power Distribution Ltd.	Niagara Peninsula Energy Inc.	Niagara-on-the- Lake Hydro Inc.
<b>Residential Customers</b>						
Number of Customers	6,052		24,832	29,138	45,167	6,507
kWh Billed	59,459,192	47,639,419	230,386,763	261,208,138	396,244,635	63,529,367
Distribution Revenue	\$ 2,087,535	\$ 1,808,381	\$ 7,107,078	\$ 8,091,758	\$ 13,491,773	\$ 2,214,849
kWh Billed per customer	8,514	7,872	9,278	8,965	8,773	9,763
Distribution Revenue per Customer	\$ 299	\$ 299	\$ 286	\$ 278	\$ 299	\$ 340
<b>General Service &lt;50kW Customers</b>						
Number of Customers	780	729	2,203	2,893	4,389	1,230
kWh Billed	20,481,317	24,772,837	73,566,124	92,853,967	128,615,455	33,919,641
Distribution Revenue	\$ 282,773	\$ 487,411	\$ 1,570,851	\$ 2,310,777	\$ 3,364,595	\$ 1,095,985
kWh Billed per customer	26,258	33,982	33,394	32,096	29,304	27,577
Distribution Revenue per Customer	\$ 363	\$ 669	\$ 713	\$ 799	\$ 767	\$ 891
<b>General Service &gt;50kW, Larger User (&gt;5000kW) Customers and Sub Transmission</b>						
Number of General Service Customers	95	112	286	398	847	121
Number of Larger User	1	0	2	0	0	0
Number of Sub Transmission	0	0	0	0	0	0
kWh Billed	102,832,092	128,992,796	363,265,000	316,486,393	636,588,343	74,700,317
Distribution Revenue	\$ 380,152	\$ 766,955	\$ 2,662,035	\$ 3,891,854	\$ 8,581,980	\$ 1,115,534
kWh Billed per customer	1,071,168	1,151,721	1,261,337	795,192	751,580	617,358
Distribution Revenue per Customer	\$ 3,960	\$ 6,848	\$ 9,243	\$ 9,779	\$ 10,132	\$ 9,219
<b>Scattered Unmetered Loads Customers</b>						
Number of Connections	51	12	183	398	420	22
kWh Billed	310,817	528,948	1,259,845	179,150	2,045,397	202,191
Distribution Revenue	\$ 7,091	\$ 13,743	\$ 36,889	\$ -	\$ 119,866	\$ 11,951
kWh Billed per connection	6,094	44,079	6,884	450	4,870	9,191
Distribution Revenue per Connection	\$ 139	\$ 1,145	\$ 202	\$ -	\$ 285	\$ 543