

**St. Thomasenergyinc.**  
*We're Your Local Power Distributor*

28 February 2011  
Ontario Energy Board  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, Ontario  
M4P 1E4

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli,

**St. Thomas Energy Inc.  
Late Payment Penalty Generic Hearing  
Calculation of Rate Rider  
License # ED – 2002-0523  
EB – 2010-0295**

As ordered by the Ontario Energy Board on February 22, 2011 please find attached a copy of the Board Order and details of the rate rider calculations per affected customer classes regarding the above mentioned hearing requested by St. Thomas Energy Inc. to become effective on May 1, 2011 for a period of one year.

A 2011 Cost of Service Rate Application is currently before the Ontario Energy Board. St. Thomas Energy Inc. is also requesting that this rate rider be added as part of the final decision in the Rate Application process.

This has been sent through the Ontario Energy Board Web Portal, by email and by Courier to the Board.

Respectfully submitted for the Board's consideration.



Mr. Dana A. Witt, CGA  
Director, Regulatory Affairs

**The Board Orders that:**

- 1. The costs and damages arising from the LPP class action that are sought for recovery in this proceeding shall be recovered from all ratepayers of the Affected Electricity Distributors. A listing of each Affected Electricity Distributor and their share of the class action costs that is approved for recovery is provided in Appendix A to this Decision.**
- 2. For the purposes of recovery, the costs and damages arising from the settlement of the LPP class action that are approved in this proceeding, shall be allocated to all customers of each Affected Electricity Distributor in Appendix A, on the basis of distribution revenues. The distribution revenues to be used for this purpose shall be the 2009 distribution revenues used in the RRR process.**
- 3. THESL shall recover its share of the amount approved for recovery, as provided in Appendix A over a 24-month period starting May 1, 2011. All other Affected Electricity Distributors shall recover each of their shares of the amounts approved for recovery, as provided in Appendix A, over a 12-month period starting May 1, 2011**
- 4. The rate rider for the purposes of recovery shall be a fixed customer charge and for the purposes of this calculation, each Affected Electricity Distributor in Appendix A shall use the 2009 year-end actual customer or connection data, as applicable, reported as part of each distributor's RRR.**
- 5. The Board directs all Affected Electricity Distributors (in Appendix A) that currently have an IRM or cost of service application before the Board, to file with the Board within seven days of the date of this Decision and Order, detailed calculations including supporting documentation, outlining the derivation of the rate riders based on the methodology outlined in this Decision. The submitted rate riders shall be verified in the Affected Electricity Distributors' respective IRM or cost of service applications.**
- 6. For those Affected Electricity Distributors (in Appendix A) that do not currently have an IRM or cost of service application before the Board, the Board directs these distributors to file with Board within seven days of the date of this Decision and Order, detailed calculations including supporting documentation outlining the derivation of the rate riders based on the methodology outlined in this Decision. These distributors shall also file a draft tariff of rates and charges that includes the proposed rate riders. Intervenor and Board staff wishing to make submissions on the information filed shall do so within six days of the filing. The Affected Electricity Distributor shall have nine days from the date of the filing to respond to any submissions.**

#### **Cost Awards**

7. Intervenor eligible for cost awards shall file with the Board and forward to the EDA their respective cost claims within 20 days from the date of this Decision and Order.

8. The EDA on behalf of all Affected Electricity Distributors (per Appendix A), shall review the cost claims and file with the Board and forward to intervenors eligible for cost awards any objections to the claimed costs within 27 days from the date of this Decision and Order.

9. Intervenor, whose cost claims have been objected to, may file with the Board and forward to the EDA responses to any objections for cost claims within 33 days of the date of this Decision and Order.

**10. The Affected Electricity Distributors (per Appendix A) shall pay the Board's costs of and incidental to, this proceeding upon receipt of the Board's invoice.**

**DATED at Toronto, February 22, 2011  
ONTARIO ENERGY BOARD**

**Original Signed By**

**Kirsten Walli  
Board Secretary**

## 2009 Statistics

As Filed Per RRR Filing before Corrections			Corrections					Corrected RRR Filing		Customer Class Share
			#1	#2	#3	#4	#5			
Customer Class	Units	Revenue	\$	\$	\$	\$	\$	Units	Revenue	%
Residential	14,374	\$742,203.24	-\$742,203.24	\$3,857,028.63			\$2.96	14,374	\$3,857,031.59	67.8241%
General Service < 50 kW	1,672	\$1,076,514.14	-\$1,076,514.14	\$742,203.24		\$611.58		1,677	\$742,814.82	13.0621%
General Service >= 50 kW	192	\$3,857,028.63	-\$3,857,028.63	\$1,076,514.14		\$4,685.28		192	\$1,081,199.42	19.0124%
Large Use (>5,000 kW)	0	\$4,685.28			-\$4,685.28			0	\$0.00	0.0000%
Street Lighting Connections	4,758	\$4,565.51						4,758	\$4,565.51	0.0803%
Sentinel Lighting Connections	50	\$1,203.54						50	\$1,203.54	0.0211%
Scattered Unmetered Loads	5	\$611.58			-\$611.58			0	\$0.00	0.0000%
Section 2.1.5 Reporting	21,051	\$5,686,811.92						21,051	\$5,686,814.88	100.0000%
Section 2.1.7 Reporting		\$5,686,814.88							\$5,686,814.88	

## Correction Explanations

- #1** Revenues removed for reallocation to correct classes
- #2** Revenues from # 1 reallocated to correct customer classes
- #3** Revenues removed for reallocation - St Thomas Energy Inc's only Large User (left the municipality in 2009) and Scattered Unmetered Loads (all were metered by February 2011)
- #4** Revenues from # 4 reallocated to other classes as appropriate
- #5** Adjustment from prior years not recorded in RRR Filing and should have been

## Rate Rider Calculations

### Ontario Energy Board Appendix A – Decision & Order EB-2010-0295

Affected Electricity Distributors		Recovery Amount (Per Board staff IR #1)			
<i>St. Thomas Energy Inc.</i>		<u><u>\$52,622.33</u></u>			
	Share of 2009 Revenue	Distribution of Amount	2009 Customers/ Connections	# of Months	Rate Rider Effective 01-May-11
Residential	67.8241%	\$35,690.62	14,374	12	\$0.21
General Service < 50 kW	13.0621%	\$6,873.58	1,677	12	\$0.34
General Service >= 50 kW	19.0124%	\$10,004.77	192	12	\$4.34
Large Use (>5,000 kW)	0.0000%	\$0.00	0		
Street Lighting Connections	0.0803%	\$42.26	4,758	12	\$0.00
Sentinel Lighting Connections	0.0211%	\$11.10	50	12	\$0.02
Scattered Unmetered Loads	0.0000%	\$0.00	0		
	<u>100.0000%</u>	<u>\$52,622.33</u>	<u>21,051</u>		