



RECEIVED
MC

MAR 15 2011

ONTARIO ENERGY BOARD

COLLUS Power Corp
P.O. Box 189, 43 Stewart Road
Collingwood ON L9Y 3Z5
Phone: (705) 445-1800
Operations Department Fax: (705) 445-0791
Finance Department Fax: (705) 445-8267
www.collus.com

EB-2011-0080

March 10, 2011

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge Street, Suite 2700
Toronto ON M4P 1E4

Dear Ms. Walli:

RE: COLLUS Power Corp – Application for extension of mandated Time-of-Use date

Application:

This application, submitted on behalf of COLLUS Power Corp ("COLLUS") seeks an extension to COLLUS's mandated Time-of-Use ("TOU") end date pursuant to the Determination under Section 1.2.1 of the Standard Supply Service Code to Mandate TOU Pricing for Regulated Price Plan Customers Board File EB-2010-0218 ("Determination"). Having regard for COLLUS's circumstances as described in more detail in the following, in summary, COLLUS requests that the Ontario Energy Board ("Board") adjust COLLUS's mandatory TOU end date from July 2011 to December 2011.

Background:

In 2009 as one of the initial steps of the TOU process COLLUS along with all of the other provincial LDCs were asked to forecast baseline dates for enrolment and TOU invoicing expectations. In July 2010 the Board invited comment on the Determination study that was underway. On July 8, 2010 a letter of comment was provided by Cornerstone Hydro Electric Concepts Association Inc ("CHEC") representing its' member LDCs, one of which was and still is COLLUS.

CHEC presented the membership's position; first with a statement that it did not support a mandated date for TOU because it believed this would be counter-productive, and second provided specific comment on a number of items. One of these was a recommendation that sufficient time be allowed to coordinate customer presentment at the same time as TOU rates. Another suggestion was that the Board consider implementation of TOU in the shoulder month time periods and provide a LDC the opportunity to modify the implementation date based on local conditions.

Regardless of the position that was presented by CHEC and similar ones by other LDCs such as Enersource (in their July 8, 2010 submission), that the setting of mandatory dates would be premature, on August 4, 2010 the Board issued the Determination decision. Section I: Issuance of Final Determination was provided in the decision and the Board used the original 2009 forecasted baseline dates to establish mandatory TOU end dates. In COLLUS's case the mandated end date was set as July 2011.

In Section II a summary of comments was provided and Part C covered Baseline Plans. The Board referred to the June 2009 filing of distributor's baseline plans and it was pointed out as well that there was ample opportunity for distributors to update their baseline plans up to the issuance of the June 2010 Proposed Determination. Realistically this was not the case for most distributors because they were caught up in the various processes involved in deploying technology and establishing processes for billing system implementation and preparing for TOU. Until those processes were completed further consideration of timelines could not be more accurately undertaken. Additionally, the Board had not intimated that they did wished distributors to file updated baseline plans.

Further, in Section II – Part D under Other Issues, the Board acknowledged that distributors may encounter extraordinary and unanticipated circumstances during the implementation of TOU pricing. The Board requested that if so these matters be brought to the Board's attention without delay in order for the Board to assess the impact on the distributor's mandatory TOU end date and assess whether any adjustment is warranted.

From the outset of the Determination COLLUS has been concerned about effectively and efficiently meeting the July 2011 end date. As stated in the CHEC July 8th submission COLLUS supports the responsible implementation of smart meter technologies and working towards meeting the goals set by the Ministry. Therefore every effort has been put forward to complete the process of moving to providing TOU invoicing to the customers.

In each of the monthly update reports through to the January 2011, COLLUS has provided the current status of the specific facets of the process. As a general statement COLLUS indicated in these monthly reports that it expected to be on target for implementation of TOU pricing by July 2011. In some cases it was reported that certain milestone planned dates had to be moved further out.

Whenever there was a change in dates the Board requested further information. On October 27, 2010 regarding the September monthly report, the additional information that COLLUS provided in an e-mail to Board staff was the first opportunity to make the Board aware of an extraordinary and unanticipated circumstance that had occurred in the reporting month. In that case it was explained that a medical condition had resulted in the Customer Information System Supervisor being unable to work for an extended period. Also it explained that COLLUS's Regulatory Supervisor had decided on very short notice (also for health related reasons) to retire and this was not expected to occur until after TOU had been fully implemented.

Even while dealing with these major human resource losses COLLUS continued to work extremely hard towards fulfilling the July 2011 end date. COLLUS also continued to report to the Board that it expected to be able to meet the schedule. In the February 2011 report although COLLUS has stated that it is on target to meet certain milestone dates, COLLUS doesn't expect to be able to meet the end date. This is in spite of the fact that COLLUS has brought in the assistance of other experts that had worked with other LDC's now providing TOU billing.

Implementation Plan as of March 2011:

COLLUS expects to concentrate its' resources completely on SIT and QT testing and receiving approval from the IESO to proceed. COLLUS is planning that this will be completed by mid to late-May. Originally it was anticipated that this would be completed in early April but the loss of the CIS and Regulatory Supervisors has resulted in longer timelines required to complete the extensive tests. Also the IESO is prudently ramping up its' scrutiny of LDC preparedness, including ensuring all testing is fully completed and evidence is provided and reviewed by their personnel. This too is expected to add additional time to all of the processes.

Upon successful completion of SIT and QT, and receiving approval for cut-over to the MDMR COLLUS will follow a careful and precise process to ensure that all meters are successfully brought into the provincial system. This is expected to take at least the month of June and part if not all of July to do the work and then have some time to monitor the new set-up to ensure it is providing completely accurate data and functioning properly.

COLLUS would then provide its' customer education and implementation plan to the customer base. The plan includes shadow billing information in advance of actual TOU invoicing which will take a couple of months to ensure that all customers that receive the comparative information have an opportunity to review and then implement any desired adjustment to their usage patterns. Otherwise TOU pricing will be impacting them before they have a chance to make any changes.

COLLUS will also plan to proceed in a way that will ensure that proper web presentment is available to assist the customer in advance of being exposed to TOU price impacts. This will ensure the customer has a valuable education tool available to understand how the new pricing regime is expected to impact them and again make adjustment ahead of the new pricing. This work as noted should cover the months of August and September.

Coming into October COLLUS fully expects to be completely prepared to introduce TOU invoicing on a staged process. This will be successfully completed over the 8 weeks and be completed by the end of November. Thus the request for the extension to December 2011 as the end date for completion of introducing TOU invoicing to the customer base.

Extension of Mandatory TOU End Date:

COLLUS submits to the Board that for the reasons explained in the previous information the Board shall adjust COLLUS's mandatory TOU end date from July 2011 to December 2011.

If further information is required please contact us.

Thank you,

Mr. T. (Tim) E. Fryer CMA
Chief Financial Officer
COLLUS Power Corp