



EB-2010-0307

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 Canadian Niagara
Power Inc., Algoma Power Inc., Grimsby Power Inc., and
Westario Power Inc. seeking an exemption from their
Mandated Time-of-Use Pricing Dates.

By delegation, before: Jennifer Lea

DECISION AND ORDER

Canadian Niagara Power Inc. ("CNPI") filed an application dated November 25, 2010 with the Ontario Energy Board under section 74 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule B) for a licence amendment on behalf of the FortisOntario Utilities: CNPI, Algoma Power Inc., Grimsby Power Inc., and Westario Power Inc. requesting an exemption in relation to the mandated dates for the implementation of Time-of-Use ("TOU") pricing rates for regulated price plan consumers. The Board assigned file number EB-2010-0307 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 customers that have eligible TOU meters using TOU 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 TOU pricing for regulated price plan consumers with eligible TOU 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

The FortisOntario Utilities are requesting an exemption from their mandatory TOU dates due to an upgrade of their common Customer Information System ("CIS") hosted by CNPI, and an upgrade to their smart meter software system. CNPI Port Colborne and Fort Erie wish to be exempt from their current TOU date of December 2011 and request a new date of January 2012. CNPI Gananoque is not requesting a new date. Grimsby Power Inc. and Westario Power Inc. wish to be exempt from their September 2011 TOU date and request a new TOU date of December 2011. Due to Algoma Power Inc.'s recent acquisition by FortisOntario Inc., that distributor requires a lengthier process to transition to the shared CIS and implement TOU pricing. Algoma Power Inc. has requested an exemption from its June 2011 TOU date and a new date of June 2012.

The Notice of Application and Written Hearing for the application was issued on December 17, 2010, and interrogatories and submissions on the application were invited. Board staff and EnWin Utilities Ltd. filed interrogatories on the application. The applicant responded to these interrogatories providing more information regarding the delays and progress to date in implementing TOU pricing. Board staff filed a submission stating it had no issues with the request for exemption by the FortisOntario Utilities. EnWin Utilities Ltd. also filed a submission stating it supports the request for exemption. The FortisOntario Utilities replied to the submission requesting the application be approved as submitted.

BOARD FINDINGS

I find the application should be granted. The FortisOntario Utilities will be exempted from the requirement to apply TOU pricing under the Standard Supply Service Code until the following dates for each distributor:

- CNPI Port Colborne & CNPI Fort Erie – January 31, 2012;
- Grimsby Power Inc. & Westario Power Inc. – December 31, 2011;
- Algoma Power Inc. – June 30, 2012.

The FortisOntario Utilities have taken the responsible step of seeking an exemption from the Board well in advance of their respective mandated TOU dates. They have generally been diligent in preparing for the implementation of TOU pricing. The reasons given in the application for missing the original dates are credible and supported by the evidence filed with the application. Their preparation for TOU pricing involves co-ordinating a shared CIS among these utilities. I agree with the applicant that it is logical to complete the upgrade to the shared CIS before commencing meter enrollment testing and TOU billing, provided no significant delay results.

In the case of CNPI Port Colborne and CNPI Fort Erie, the proposed delay is minor, a matter of one month. In the case of Grimsby Power Inc. and Westario Power Inc. the proposed delay is also relatively minor, three months.

In the case of Algoma Power Inc. the proposed delay is significant. The reason cited for the delay is the acquisition of Algoma Power Inc. by FortisOntario, and the need to transition that distributor to the shared CIS. I note that the TOU baseline plans for CNPI and Algoma Power Inc. were developed and submitted to the Board before the acquisition of Algoma Power Inc. by FortisOntario. I find that it is reasonable to transition Algoma Power Inc. to the FortisOntario Utilities' CIS before beginning meter enrollment testing and the roll-out of TOU pricing.

IT IS THEREFORE ORDERED THAT:

1. Canadian Niagara Power Inc.'s distribution licence ED-2002-0572, specifically Schedule 3 List of Code Exemptions, is amended to include an exemption for CNPI Port Colborne and CNPI Fort Erie from the requirement to apply time-of-use pricing by a mandatory date under the Standard Supply Service Code for Electricity Distributors. The exemptions will expire January 31, 2012.
2. Grimsby Power Inc.'s distribution licence ED-2002-0554 and Westario Power Inc.'s distribution licence ED-2002-0515, specifically Schedule 3 List of Code Exemptions, are amended to include an exemption from the requirement to apply time-of-use pricing by a mandatory date under the Standard Supply

Service Code for Electricity Distributors. The exemptions will expire December 31, 2011.

3. Algoma Power Inc.'s distribution licence ED-2009-0072, specifically Schedule 3 List of Code Exemptions, is amended to include an exemption from the requirement to apply time-of-use pricing by a mandatory date under the Standard Supply Service Code for Electricity Distributors. The exemption will expire June 30, 2012.

DATED at Toronto, March 29, 2011.

ONTARIO ENERGY BOARD

Original signed by

Jennifer Lea
Counsel, Special Projects