

June 27, 2011

Ontario Energy Board 2300 Yonge Street 26<sup>th</sup> Floor P.O. Box 2319 Toronto, Ontario M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Sirs:

Re: Midland Power Utility Corporation – Application for Extension to Mandated Time-of-Use Pricing

for Certain Regulated Price Plan Consumers

Licence #ED 2002-0541; Board File No. EB-2011-0133

Enclosed please find Midland PUC's Submission in response to the Ontario Energy Board Staff and the Canadian Federation of Independent Business Submissions filed under the RESS system today.

Should you have any questions, please do not hesitate to contact the writer.

Yours very truly,

## MIDLAND POWER UTILITY CORPORATION

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## **Midland Power Utility Corporation**

## **Submission**

Application for Extension to Mandated Time-of-Use Pricing Date for Regulated Price Plan Customers
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Midland PUC does not agree with Board Staff's view that our request for an extension to the time of use mandated date of June 1<sup>st</sup>, 2011 should be denied. Midland PUC believes the reasons given in our Application are in fact, unanticipated and an extraordinary circumstance and thus justifies an extension in the TOU pricing date.

Midland further submits bill impacts must be taken into account, especially in light of the fact that this customer class does not have the ability to shift their load to off peak pricing periods. Midland submits this customer class is put at a disadvantage due to this solitary fact.

Midland PUC agrees there are no technological barriers to TOU implementation. However, it is not just the technical programming that is an essential requirement in the implementation of the smart metering infrastructure. Education is key to the success of the government's mandate to reduce consumption and Midland PUC is very concerned about the financial impact on this customer class.

Midland PUC submits it was not until all of the technical programs and interfaces were operational in the spring of 2011, that Midland PUC was able to perform the analysis of customer billing impacts. Two other factors have hindered Midland PUC's ability to provide these customers with conservation and demand management information. Firstly, Midland PUC hired an Energy Services Manager in April, 2011 who will be providing educational seminars and consulting to this customer class. Secondly, the roll out of OPA conservation programs was delayed until the spring of 2011. In fact, we understand the OPA has yet to release all of their programming. These three factors have collided and have put the GS,50kW customer class at a disadvantage in comparison to other customer classes.

Until now, Midland PUC was unable to provide this customer base with the relevant conservation program information to enable them to make informed decisions on their consumption habits. Midland PUC feels it has not been able to accommodate this in the

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past due to time constraints and staffing needs as the focus of this initiative has been on back office implementation of systems and business practices set up for billing on the new rate regime. The significant delay in OPA program rollout, coupled with the hiring of our Energy Services Manager in April, 2011 have also hampered Midland PUC's abilities to provide GS<50kW customers with alternatives to reduce their consumption.

Midland PUC does not agree with Board Staff's submission that "some customers will be made worse off if a delay to TOU implementation is granted" Midland PUC submits it is a summer peaking LDC, but the analysis performed in the Application with winter TOU rates which are considerably lower than the current rates. Any potential decrease by those customers referred to in the Board Staff's Submission would be virtually wiped out by the increases effective May 1, 2011 and the increase in summer consumption. In addition, Midland PUC submits the Ontario Clean Energy Benefit was taken into consideration in this analysis and if it were not for this benefit, increases would be 10% greater. Midland PUC therefore submits the TOU extension will not unfairly disadvantage those customers referred to by Board Staff.

Midland PUC disagrees with Board Staff's submission with respect to "...staff notes that Midland's application would suggest that rate mitigation supersedes Board policy". Midland PUC submits rate mitigation must be taken into consideration along side of Board policy. Midland PUC further submits the GS<50kW customer class will be put at a disadvantage if this extension is not granted due to the reasons stated above.

Midland PUC supports the Canadian Federation of Independent Business' submission filed with the Board on June 22, 2011.

Midland PUC therefore requests that the Board grant the extension of TOU implementation to February 1, 2012 for the GS<50kW class.

All of which is respectfully submitted.

MIDLAND POWER UTILITY CORPORATION

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