

IN THE MATTER OF the *Ontario Energy Board Act*, 1998, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by Woodstock Hydro Services Inc. for an order or orders approving or fixing just and reasonable distribution rates and other charges, to be effective May 1, 2011.

AND IN THE MATTER OF a Motion by Woodstock Hydro Services Inc. pursuant to the Ontario Energy Board's Rules of Practice and Procedure for a review by the Board of its Rate Order in proceeding EB-2010-0145 dated May 6, 2011.

SUBMISSION OF WOODSTOCK HYDRO SERVICES INC.

DELIVERED JULY 5, 2011

Introduction:

1. Woodstock Hydro Services Inc. ("Woodstock Hydro") is a licensed electricity distributor serving customers in Woodstock, Ontario. On November 1, 2010, Woodstock Hydro filed its forward test year cost of service distribution rate application (the "Application") for electricity distribution rates effective May 1, 2011 (Board File No. EB-2010-0145).
2. The Application was the subject of a Settlement Conference, conducted at the Ontario Energy Board's (the "Board's") offices on March 24, 2011. The Settlement Conference resulted in a complete settlement of this proceeding. On April 20, 2011, the Board issued its Decision approving the Settlement Proposal and directing Woodstock Hydro to prepare a draft Rate Order implementing the Decision and Settlement Proposal. On May 6, 2011, after Board staff and the intervenors in the proceeding had an opportunity to review the draft Rate Order, the Board issued Woodstock Hydro's Final Rate Order¹ and a media release² confirming the approval of those rates. In the release, the Board stated that in the Settlement Agreement, Woodstock Hydro agreed to (among other

¹ http://www.ontarioenergyboard.ca/OEB/_Documents/2011EDR/Rate_Order_Woodstock_20110506.pdf

² http://www.ontarioenergyboard.ca/OEB/_Documents/Press%20Releases/News_Release_Woodstock_%20COS%2020110506.pdf

things) "Withdraw its request to recover \$57,743, Woodstock Hydro's contribution toward the late payment penalty settlement amount."

3. By letter dated May 26, 2011, Woodstock Hydro requested that the Board review and vary that Final Rate Order to provide for the recovery of fixed rate riders related to Woodstock Hydro's contribution toward the settlement of litigation against all former municipal electric utilities in the Province in relation to late payment penalty charges collected pursuant to, first, Ontario Hydro rate schedules and, after industry restructuring, Ontario Energy Board rate orders (the "LPP Class Action"). Woodstock Hydro requested that the letter be treated as a motion to review pursuant to Rule 44 of the Board's *Rules of Practice and Procedure*, and requested that the fixed rate riders be recovered over a 12 month period commencing June 1, 2011. Woodstock Hydro set out its reasons for the requested review and variation of the Order in the May 26th letter, a copy of which accompanies this submission as Attachment "A". Those reasons are also discussed below.
4. On Friday, June 24, 2011, the Board issued a Notice of Motion For Review and Procedural Order No.1 (referred to below as "PO#1") in this matter. The Board has assigned a new file number, EB-2011-0231, to the Motion. The Board discussed the background to this matter in PO#1.
5. In PO#1, the Board determined that this matter would be disposed of by way of a written hearing, and allowed for written submissions from Woodstock Hydro by July 6, 2011, and from Board staff and the intervenors in Woodstock Hydro's Application by July 13, 2011. Woodstock Hydro's submissions in this matter are set out below. While PO#1 was silent on any procedural matters beyond the submissions of Board staff and the intervenors, Woodstock Hydro trusts that as the moving party, it will have the opportunity to reply to any staff and intervenor submissions, in accordance with natural justice and as would typically be the case in motions before the Board.

Background:

6. On November 1, 2010, Woodstock Hydro filed the Application with the Board. Exhibit 9 of the Application addressed Deferral and Variance Accounts. Among the deferral and variance accounts requested in the Application was the following account:

"To record the payment and recovery of late payment litigation costs pertaining to the Municipal Electrical Utilities Late Payment Class Action proceeding. [Woodstock Hydro]'s share of this proceeding is \$58,033.26."³

7. At Exhibit 9, Tab 2, Schedule 3 of the Application, Woodstock Hydro explained the basis for the request, and advised that distributors had proposed that the Board conduct a generic proceeding to "determine if the costs incurred in this litigation and settlement are recoverable from customers and, if so, the form and timing of recovery from customers."
8. The Board convened a generic proceeding (EB-2010-0295) in this regard, and issued its Decision and Order (the "Generic Decision and Order") on February 22, 2011. In the Generic Decision and Order, the Board confirmed that the LPP amounts would be recoverable from electricity ratepayers by way of a fixed charge over a 12-month period commencing May 1, 2011, and addressed the methodology for doing so. At page 20 of the Generic Decision and Order, the Board wrote:
 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."
9. Woodstock Hydro, and the amount of \$57,743.72, representing Woodstock Hydro's share of the LPP class action costs approved for recovery, were shown in Appendix A to the Board's Decision ("Affected Electricity Distributors and their share of the LPP class action costs that are approved for recovery"). A copy of Appendix A to the Generic Decision and Order accompanies this submission as Attachment "B".
10. Accompanying Attachment "A" to this submission is a copy of Woodstock Hydro's February 28, 2011 correspondence to the Board, pursuant to the Generic Decision and Order, setting out Woodstock Hydro's detailed calculations and supporting documentation for the proposed LPP riders that would provide for the recovery of the \$57,743.72, based on the methodology outlined in that Decision. Woodstock Hydro is

³ See Exhibit 9, Tab 2, Schedule 3, page 1 of the Application. A copy of the Application is available at: http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/222080/view/Woodstock_APPL_EDR_2011_20101028.PDF

not aware of any concerns on the part of Board staff with respect to the calculations of its proposed LPP riders.

11. The Application was the subject of a Technical Conference on March 21, 2011. The matter of the LPP was addressed by Ross McMillan, Woodstock Hydro's CEO, during the Technical Conference. Mr. McMillan stated (Transcript p.6, lines 21-27):

"We are withdrawing our request for a deferral account to record the payment and recovery of late payment litigation cost pertaining to the municipal electrical utilities' late payment class action proceeding. As part of the Board's Decision and Order of February 22nd, 2011, we have applied to the Board on February 28th, 2011 for a rate rider for recovery of these costs."

12. The Application was then the subject of a Settlement Conference, conducted at the Board's offices on March 24, 2011. While the discussions carried on during the March 24, 2011 Settlement Conference were, and remain confidential, Woodstock Hydro can advise that the parties, which included Woodstock Hydro and representatives of the intervenors – Energy Probe, the School Energy Coalition and the Vulnerable Energy Consumers Coalition – agreed that as the LPP was being dealt with by the Board on a generic basis, Woodstock Hydro would remove the LPP from this 2011 cost of service proceeding. Woodstock Hydro confirmed this understanding with the intervenors' representatives during the week of May 23, 2011, prior to the delivery of Woodstock Hydro's May 26, 2011 letter requesting that the Board review and vary its Rate Order.
13. The Settlement Agreement addressed the LPP issue as follows (at page 33, Issue 9.2 - Are the methods of disposition of the deferral and variance accounts appropriate?):

"The Parties have also agreed that Woodstock Hydro will withdraw the following requests, set out at Exhibit 9, Tab 2, Schedule 3 of the Application:

- That the Board approve Woodstock Hydro's request for recovery of a one-time expense in the amount of \$57,743.72, representing Woodstock Hydro's contribution toward the settlement of long-standing litigation against all former municipal electric utilities ("MEUs") in the Province in relation to late payment penalty ("LPP") charges collected pursuant to, first, Ontario Hydro rate schedules and, after industry restructuring, Ontario Energy Board rate orders (the "LPP Class Action").
- The Parties acknowledge that Woodstock Hydro's recovery of this amount has been addressed through the Board's Decision and Order EB-2010-

0295 dated February 22, 2011. Accordingly, on February 28, 2011, WHSI filed detailed calculations and supporting documentation outlining the derivation of the rate riders to recover the one-time expense of \$57,743.72, based on the methodology outlined in that Decision.”

14. As discussed in PO#1,

“On April 20, 2011, the Board issued its Decision and Order approving the Settlement Proposal, and directed Woodstock Hydro to prepare a draft Rate Order implementing the Decision and Order. The draft Rate Order was prepared and delivered by Woodstock Hydro on April 26, 2011. The draft Rate Order filed by Woodstock Hydro in its 2011 cost of service proceeding did not include the rate riders provided by Woodstock Hydro in the generic LPP proceeding.

On May 6, 2011, after Board staff and the intervenors in the proceeding had an opportunity to review the draft Rate Order, the Board issued Woodstock Hydro's final Rate Order. The Rate Order did not include rate riders to recover the LPP.”

15. On May 6, 2011, concurrently with the final Rate Order, the Board issued a media release confirming the approval of those rates. In the release, the Board stated that in the Settlement Agreement, Woodstock Hydro agreed to (among other things) “Withdraw its request to recover \$57,743, Woodstock Hydro’s contribution toward the late payment penalty settlement amount.”
16. Woodstock Hydro acknowledges that the amount was not included in the Draft Rate Order. However, the Board’s media release issued concurrently with the final Rate Order was Woodstock Hydro’s first indication that the Board understood the request for LPP recovery to have been withdrawn. No mention was made of the withdrawal in the Board’s April 20, 2011 Decision on the Application, nor was the withdrawal mentioned in the May 6, 2011 Final Rate Order.
17. Woodstock Hydro contacted Board Staff about the media release shortly after it was issued. In discussing this with Board Staff, Woodstock Hydro was referred to page 20 of the Board’s Generic Decision on the LPP matter, and particularly paragraph 5, quoted at paragraph 8 above.
18. Board staff advised Woodstock Hydro that the riders should have been dealt with in the cost of service proceeding. As a result, it was necessary for Woodstock Hydro to bring the current motion for an Order of the Board reviewing and varying its Rate Order to include the LPP riders.

Woodstock Hydro's submissions:

19. It is true that Woodstock Hydro withdrew the request made in the Application for a one time expense to be tracked and recovered through a deferral account. However, its request in the Board's generic proceeding (EB-2010-0295) related to the recovery of LPP amounts remains outstanding, and at no time has Woodstock Hydro intended to forgo its recovery of the LPP settlement amount, nor has it indicated its intention to do so.
20. Woodstock Hydro believes that the Settlement Proposal clearly indicates that there was no intention to forgo its recovery of the LPP settlement amount and that all parties to the settlement understood this. It was simply being dealt with in another (generic) proceeding. As noted above, the Settlement Agreement included the Parties' acknowledgement that Woodstock Hydro's recovery of the LPP amount had been addressed through the Board's February 22, 2011 Generic Decision and Order.
21. The intervenors asked Woodstock Hydro to convey to the Board in Woodstock Hydro's May 26th letter their information relevant to the request presented in that letter. The following comments, extracted from the May 26th letter, were reviewed by the intervenors prior to the filing of the letter:

"The intervenors confirm that the Settlement Agreement in EB-2010-0145 was not premised on any assumption that Woodstock Hydro was giving up, or planned to give up, all or any part of its claim for recovery of LPP amounts. The intervenors at all times assumed that any LPP recovery would be incremental to the rates arising out of the Settlement Agreement, and would be dealt with in the context of the EB-2010-0295 proceeding. The intervenors are not in a position to comment on the evidence of Woodstock Hydro filed in that proceeding. Subject to that caveat, the intervenors do not oppose the request of Woodstock Hydro for a modification of the Rate Order in EB-2010-0145, if the Board believes that is the most appropriate way of carrying out the intent of the EB-2010-0295 Decision in respect of Woodstock Hydro, and the Board is satisfied that the amounts claimed are correct."
22. Woodstock Hydro respectfully submits that an error in fact has led to the Board's understanding that recovery of the LPP amounts were being waived by Woodstock Hydro. An error in fact is recognized as one of the grounds for a motion that raises a question as to the correctness of the order or decision that is the subject of the motion in Rule 44.01 of the Board's *Rules of Practice and Procedure*. As noted in its letter of May

26th, Woodstock Hydro regrets having omitted the riders provided in its February 28, 2011 correspondence in the LPP proceeding (EB-2010-0295) from its Draft Rate Order in its 2011 rates proceeding, and any inconvenience this may have caused. Woodstock Hydro agrees that that the riders should have been included in the Draft Rate Order, and acknowledges that doing may have avoided any error in fact that has led to the making of this motion.

23. In its letter of May 26th, Woodstock Hydro respectfully requested that the Board address this matter at that time by varying the May 6, 2011 Final Rate Order by incorporating into the Final Rate Order the fixed riders set out in the February 28, 2011 correspondence for a period of 12 months commencing June 1, 2011. Woodstock Hydro reiterates its request that it be permitted to recover the riders set out in that letter over a 12-month period.
24. The Board has provided the intervenors an opportunity to make submissions in this motion, but as discussed above, and as Woodstock Hydro indicated in its letter of May 26th, the intervenors do not oppose Woodstock Hydro's request for a modification of the Rate Order, subject to the caveat that the intervenors are not in a position to comment on the evidence of Woodstock Hydro filed in the generic proceeding. Woodstock Hydro has not been advised of any change in the intervenors' position to date. Should that position change in any intervenor submission in this motion, Woodstock Hydro anticipates addressing any such change in its reply submission.
25. Woodstock Hydro submits that the calculations of its proposed LPP riders are accurate and comply with the Board's methodology. As noted above, Woodstock Hydro is not aware of any concerns on the part of Board staff with respect to the calculations of its proposed LPP riders. However, Woodstock Hydro respectfully requests that Board Staff confirm in their submission that the LPP riders are accurate and compliant with the Board's requirements in the Generic proceeding.
26. Woodstock Hydro must also make one change to its request of May 26th – as this matter will clearly not be resolved until the second half of July given the scheduling of submissions, it will be necessary to adjust the commencement date of the LPP riders. In order to allow for adequate time for Woodstock Hydro to adjust its billing system,

Woodstock Hydro requests that the riders commence August 1, 2011 if the revised Rate Order is issued by August 8, 2011; or September 1, 2011, if the revised Rate Order is issued after August 8, 2011 and by September 8, 2011. Woodstock Hydro requests that the Board take a similar approach with respect to timing of the commencement date of the 12 month period if the revised Rate Order is issued after September 8, 2011 (that is, if the revised Rate Order is issued by the 8th of the month in which it is issued, the 12 month period would commence in that month; if it is issued after the 8th of the month, then the 12 month period would commence on the first of the following month).

Conclusion:

27. For all of the foregoing reasons, Woodstock Hydro respectfully requests that the Board vary its Final Rate Order of May 6, 2011 to provide for the recovery of fixed LPP rate riders in the amounts set out in Woodstock Hydro's February 28, 2011 correspondence to the Board in EB-2010-0295 over a 12 month period.
28. Woodstock Hydro requests that the 12 month period commence August 1, 2011 if the revised Rate Order is issued by August 8, 2011; or September 1, 2011, if the revised Rate Order is issued after August 8, 2011 and by September 8, 2011, and that the Board take a similar approach with respect to timing of the commencement date of the 12 month period if the revised Rate Order is issued after September 8, 2011.

ALL OF WHICH IS RESPECTFULLY SUBMITTED THIS 5th DAY OF JULY, 2011.

Original Signed by James C. Sidlofsky
James C. Sidlofsky
Counsel to Woodstock Hydro Services Inc.

**ATTACHMENT “A”
TO
SUBMISSION OF WOODSTOCK HYDRO SERVICES INC.**

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May 26, 2011

Delivered by E-mail and Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

**Re: EB-2010-0145 – Woodstock Hydro Services Inc.
2011 Electricity Distribution Rate Application**

Introduction:

We are counsel to Woodstock Hydro Services Inc. (“Woodstock Hydro”) in the above captioned matter. We are writing to you today with respect to the Board’s recently issued Rate Order in this matter and the media release that accompanied it.

More particularly, Woodstock Hydro is requesting that the Board review and vary that Order to provide for the recovery of fixed rate riders related to Woodstock Hydro’s contribution toward the settlement of litigation against all former municipal electric utilities in the Province in relation to late payment penalty charges collected pursuant to, first, Ontario Hydro rate schedules and, after industry restructuring, Ontario Energy Board rate orders (the “LPP Class Action”). The reasons for this request are discussed below.

Background:

This Application was the subject of a Settlement Conference, conducted at the Board’s offices on March 24, 2011. The Settlement Conference resulted in a complete settlement of this proceeding. The Settlement Proposal was filed on April 8, 2011. On April 20, 2011, the Board issued its Decision approving the Settlement Proposal and directing Woodstock Hydro to prepare a draft Rate Order implementing the Decision and Settlement Proposal. The draft Rate Order was prepared and delivered by Woodstock Hydro, and on May 6, 2011, after Board staff and the intervenors in the proceeding had an opportunity to review the draft Rate Order, the Board issued Woodstock Hydro’s final Rate Order and a media release confirming the approval of those rates.

In the release, the Board stated that in the Settlement Agreement, Woodstock Hydro agreed to (among other things) “Withdraw its request to recover \$57,743, Woodstock Hydro’s contribution toward the late payment penalty settlement amount.”

As discussed below, it is true that Woodstock Hydro withdrew the request made in this proceeding (its 2011 cost of service rate application) for a one time expense to be tracked and recovered through a deferral account. However, its request in the Board's generic proceeding (EB-2010-0295) related to the recovery of LPP amounts remains outstanding, and at no time has Woodstock Hydro intended to forgo its recovery of the LPP settlement amount.

The LPP Settlement Amount and the 2011 Electricity Distribution Rate Proceeding:

The matter of the LPP was addressed by Ross McMillan, Woodstock Hydro's CEO, during the March 21, 2011 Technical Conference in this matter. Mr. McMillan stated (Transcript p.6, lines 21-27):

"We are withdrawing our request for a deferral account to record the payment and recovery of late payment litigation cost pertaining to the municipal electrical utilities' late payment class action proceeding. As part of the Board's Decision and Order of February 22nd, 2011, we have applied to the Board on February 28th, 2011 for a rate rider for recovery of these costs."

While the discussions carried on during the March 24, 2011 Settlement Conference were, and remain confidential, we can advise that the parties, which included Woodstock Hydro and representatives of the intervenors – Energy Probe, the School Energy Coalition and the Vulnerable Energy Consumers Coalition – agreed that as the LPP was being dealt with by the Board on a generic basis, Woodstock Hydro would remove the LPP from this 2011 cost of service proceeding. We have confirmed this understanding with the intervenors' representatives this week.

The Settlement Agreement addressed the LPP issue as follows (at page 33, Issue 9.2 - Are the methods of disposition of the deferral and variance accounts appropriate?):

"The Parties have also agreed that Woodstock Hydro will withdraw the following requests, set out at Exhibit 9, Tab 2, Schedule 3 of the Application:

- That the Board approve Woodstock Hydro's request for recovery of a one-time expense in the amount of \$57,743.72, representing Woodstock Hydro's contribution toward the settlement of long-standing litigation against all former municipal electric utilities ("MEUs") in the Province in relation to late payment penalty ("LPP") charges collected pursuant to, first, Ontario Hydro rate schedules and, after industry restructuring, Ontario Energy Board rate orders (the "LPP Class Action").
- The Parties acknowledge that Woodstock Hydro's recovery of this amount has been addressed through the Board's Decision and Order EB-2010-0295 dated February 22, 2011. Accordingly, on February 28, 2011, WHSI filed detailed calculations and supporting documentation outlining the derivation of the rate riders to recover the one-time expense of \$57,743.72, based on the methodology outlined in that Decision."

As noted above, Woodstock Hydro had no intention of forgoing this amount, and it believes that the Settlement Proposal clearly indicates that there was no intention to do so and that all parties to the settlement understood this. It was simply being dealt with in another (generic) proceeding. The amount was not included in the Draft Rate Order, but the Board's media release issued concurrently with the final Rate Order was Woodstock Hydro's first indication that the Board understood the request for LPP recovery to have been withdrawn.

Woodstock Hydro contacted Board Staff about the media release shortly after it was issued. In discussing this with Board Staff, Woodstock Hydro was referred to page 20 of the Board's Generic Decision on the LPP matter, in which the Board wrote:

"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."

Staff have advised Woodstock Hydro that the riders should have been dealt with in the cost of service proceeding. We have also discussed this matter with Board Staff, and it appears that it will be necessary for Woodstock Hydro to bring a motion for an Order of the Board reviewing and varying its Rate Order to include the LPP riders.

Woodstock Hydro's request for LPP recovery in EB-2010-0295:

As noted above, the Settlement Agreement included the Parties' acknowledgement that Woodstock Hydro's recovery of the LPP amount had been addressed through the Board's Decision and Order EB-2010-0295 dated February 22, 2011. Please find accompanying this letter a copy of Woodstock Hydro's February 28, 2011 correspondence to the Board, pursuant to the Board's February 22, 2011 Decision and Order, setting out Woodstock Hydro's detailed calculations and supporting documentation for the proposed LPP riders that would provide for the recovery of the \$57,743.72, based on the methodology outlined in that Decision.

Woodstock Hydro reiterates its request that it be permitted to recover the riders set out in that letter over a 12-month period.

The intervenors have asked us to convey to the Board their information relevant to the request presented in this letter. The intervenors confirm that the Settlement Agreement in EB-2010-0145 was not premised on any assumption that Woodstock Hydro was giving up, or planned to give up, all or any part of its claim for recovery of LPP amounts. The intervenors at all times assumed that any LPP recovery would be incremental to the rates arising out of the Settlement Agreement, and would be dealt with in the context of the EB-2010-0295 proceeding. The intervenors are not in a position to comment on the evidence of Woodstock Hydro filed in that proceeding. Subject to that caveat, the intervenors do not oppose the request of Woodstock Hydro for a modification of the Rate Order in EB-2010-0145, if the Board believes that is the most appropriate way of carrying out the intent of the EB-2010-0295 Decision in respect of Woodstock Hydro, and the Board is satisfied that the amounts claimed are correct.

The review and variance of the May 6, 2011 Rate Order:

Woodstock Hydro regrets having omitted the riders provided in its February 28, 2011 correspondence in the LPP proceeding (EB-2010-0295) from its Draft Rate Order in its 2011 rates proceeding, and any inconvenience this may have caused. Woodstock Hydro respectfully requests that the Board address this matter at this time by varying the May 6, 2011 Rate Order by incorporating into the Rate Order the fixed riders set out in the February 28, 2011 correspondence for a period of 12 months commencing June 1, 2011.

We can confirm that the intervenors do not oppose this request. We ask that this request be treated by the Board as a motion pursuant to Rule 44 of the Board's *Rules of Practice and Procedure*. We respectfully suggest that in the circumstances of this matter, a lengthy motion record is not necessary, although if the Board does consider it necessary, Woodstock Hydro will provide additional material.

We thank you very much in advance for your consideration in this matter. Should you have any questions or require further information, please do not hesitate to contact me or Patti Eitel at Woodstock Hydro (Ms. Eitel can be reached at (519) 537-7172, ext. 240).

Yours very truly,

BORDEN LADNER GERVAIS LLP

Original Signed by James C. Sidlofsky

James C. Sidlofsky

JCS/ac

Encl.

cc. Maureen Helt, Ontario Energy Board
Neil Mather, Ontario Energy Board
Ross McMillan, Woodstock Hydro
Patti Eitel, Woodstock Hydro
Intervenors of Record

TOR01: 4644657: v7

February 28, 2011

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: Decision & Order Late Payment Penalty Class Action
EB-2010-0295
Rate Rider Application

Further to the Ontario Energy Board Decision and Order on the Late Payment Penalty (LPP) Class Action, EB-2010-0295, and the method of recovery for these costs, Woodstock Hydro Services Inc. hereby submits its application.

In accordance with this order Woodstock Hydro Services Inc. has based the recovery of the costs and damages arising from this settlement across all customers on the basis of distribution revenues (metered and unmetered) as reported in the 2009 Reporting and Record Keeping Requirements (RRR) report 2.1.5.

Woodstock Hydro Services Inc. 2.1.5 RRR filing indicated a total distribution revenue of \$6,341,061.80 over a customer / connection base of 19,072. The amount to be recovered is \$57,743.72.

The 2009 year end actual customer / connection data, and distribution revenues as filed on our 2.1.5 RRR filing as at Dec 31, 2009 reflected zero (0) large use (>5,000 kW) Customers, but distribution revenue for this class of \$86,920.07. This is because our one large use customer was transferred to the General Service >= 50 kW Customers class effective May 1, 2009.

In addition, in our 2011 cost of service distribution rate application, EB-2010-0145, currently before the Board, Woodstock Hydro Services Inc. has applied for a new rate class, General Service 1,000 – 4,999 KW Demand. We have seven (7) customers who would fall into this rate class.

In keeping with our 2011 cost of service distribution rate application, we have examined the 2009 historical KW / kwh consumptions and corresponding 2009 historical distribution revenues for these seven (7) customers, and revised the allocation basis for this rate rider, based on a General Service 1,000 – 4,999 KW Demand class.

This rate rider has been calculated as a fixed monthly charge to be recovered over the period of one year starting May 1, 2011 across all customers in all rate classes. The amount to be recovered was initially allocated by rate class on the basis of distribution revenue, then as a monthly fixed charge based on the number of customers/connections in each class.

If you have any further question with respect to this application please do not hesitate to contact the writer.

Respectfully submitted,

Original signed by:

Ross McMillan, B.A., C.M.A., C.C.P.
President & C.E.O.
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| | | | | | | | |
|--|-------------------------------------|---------------|---------------|------------------------------|--------------------|--|--------------------|
| WOODSTOCK HYDRO SERVICES INC | | EB-2010-0295 | | February 28, 2011 | | | |
| CUSTOMERS, DEMAND & REVENUES | FROM DEC 31, 2009 RRR FILING | | | | | | |
| | | | | | Recovery | | |
| Customer Class | Number of | Billed | Billed | Distribution Revenues | Amount From | | |
| | Customers/Connections | KW | kWh | Account (4080) | Appendix A | | |
| Total | 19,072 | 578,242 | 342,064,464 | \$6,341,061.80 | \$57,743.72 | | |
| Residential | 13,429 | | 93,622,824 | \$3,851,591.03 | \$35,073.81 | | |
| General Service < 50 KW | 1,170 | | 41,369,827 | \$825,247.55 | \$7,514.97 | | |
| General Service > 50 KW | 200 | 554,388 | 199,402,875 | \$1,498,545.50 | \$13,646.23 | | |
| Large Use (>5,000KW) | 0 | 16,618 | 4,509,648 | \$86,920.07 | \$791.52 | | |
| Street Lighting | 4,234 | 7,236 | 2,512,077 | \$70,644.67 | \$643.31 | | |
| Sentinel Lighting | 0 | 0 | 0 | \$0.00 | \$0.00 | | |
| Sub Transmission | 0 | 0 | 0 | \$0.00 | \$0.00 | | |
| Unmetered Scattered Load | 39 | | 647,213 | \$8,112.98 | \$73.88 | | |
| APPORTIONMENT BASED ON PROPOSED RATE CLASSES IN 2011 RATE APPLICATION | | | | | | | |
| | | | | | Recovery | | Rate Rider |
| Customer Class | Number of | Billed | Billed | Distribution Revenues | Amount From | | By Customer |
| | Customers/Connections | KW | kWh | Account (4080) | Appendix A | | Per Month |
| Total | 19,072 | 578,242 | 342,064,464 | \$6,341,061.80 | \$57,743.72 | | |
| Residential | 13,429 | | 93,622,824 | \$3,851,591.03 | \$35,073.81 | | \$0.2176 |
| General Service < 50 KW | 1,170 | | 41,369,827 | \$825,247.55 | \$7,514.97 | | \$0.5353 |
| General Service > 50 KW | 193 | 370,151 | 123,823,842 | \$1,249,776.64 | \$11,380.86 | | \$4.9140 |
| General Service 1,000 to 4,999 KW | 7 | 200,855 | 80,088,681 | \$335,688.93 | \$3,056.89 | | \$36.3915 |
| Large Use (>5,000KW) | 0 | 0 | 0 | \$0.00 | \$0.00 | | |
| Street Lighting | 4,234 | 7,236 | 2,512,077 | \$70,644.67 | \$643.31 | | \$0.0127 |
| Sentinel Lighting | 0 | 0 | 0 | \$0.00 | \$0.00 | | |
| Sub Transmission | 0 | 0 | 0 | \$0.00 | \$0.00 | | |
| Unmetered Scattered Load | 39 | | 647,213 | \$8,112.98 | \$73.88 | | \$0.1579 |

**ATTACHMENT “B”
TO
SUBMISSION OF WOODSTOCK HYDRO SERVICES INC.**

Appendix A
Affected Electricity Distributors and their share of the
LPP class action costs that are approved for recovery

| <u>Affected Electricity Distributors</u> | <u>Recovery Amount (Per Board staff IR #1)</u> |
|---|--|
| 1 Atikokan Hydro Inc. | \$7,567.85 |
| 2 Bluewater Power Distribution Corporation | \$149,121.96 |
| 3 Brant County Power Inc. | \$41,665.21 |
| 4 Brantford Power Inc. | \$126,681.66 |
| 5 Burlington Hydro Inc. | \$229,874.32 |
| 6 Cambridge & North Dumfries Hydro Inc. | \$194,554.99 |
| 7 Centre Wellington Hydro Ltd. | \$25,370.61 |
| 8 Chapleau Public Utilities Corp. | \$5,314.22 |
| 9 Chatham-Kent Hydro Inc. | \$132,809.95 |
| 10 Clinton Power Corp. | \$4,702.32 |
| 11 COLLUS Power Corp. | \$42,893.20 |
| CLEARVIEW TWP. HEC | \$2,288.32 |
| THE BLUE MOUNTAINS ENERGY SERVICES | \$1,304.11 |
| 12 Cooperative Hydro Embrum Inc. | \$4,271.79 |
| 13 E.L.K. Energy Inc. | \$28,387.69 |
| 14 Enersource Hydro Mississauga Inc. | \$1,006,252.86 |
| 15 Enwin Powerlines Inc. & Enwin Utilities | \$434,442.75 |
| 16 Erie Thames Powerlines Corp. | \$55,928.58 |
| 17 Espanola Regional Hydro Distribution Corp. | \$9,905.46 |
| 18 Essex Power Lines Corp. | \$75,617.88 |
| 19 Festival Hydro Inc. | \$78,686.23 |
| BRUSSELS PUC | \$544.88 |
| DASHWOOD HS | \$193.38 |
| HENSALL PUC | \$1,001.99 |
| SEAFORTH PUC | \$1,386.44 |
| ST. MARYS PUC | \$4,818.64 |
| ZURICH HS | \$423.01 |
| 20 Fort Frances Power Corp. | \$9,076.63 |
| 21 Greater Sudbury Hydro Inc. | \$140,833.20 |
| WEST NIPISSING ENERGY SERVICES LTD. | \$8,958.21 |
| 22 Grimsby Power Inc. | \$23,236.06 |
| 23 Guelph Hydro Electric | \$204,943.57 |
| WELLINGTON ELECTRIC DIST. CO. INC. | \$2,382.85 |
| 24 Haldimand County Hydro Inc. | \$52,104.38 |
| 25 Halton Hills Hydro Inc. | \$62,839.79 |
| 26 Hearst Power Distribution Co. Ltd. | \$14,889.32 |

| | <u>Affected Electricity Distributors</u> | <u>Recovery Amount</u> |
|----|---|------------------------|
| 27 | Horizon Utilities Corporation | \$0.00 |
| | HAMILTON HYDRO INC. | \$897,923.30 |
| | ST. CATHARINES HYDRO UTILITY SERVICES INC. | \$204,411.93 |
| 28 | Hydro 2000 Inc. | \$3,858.70 |
| 29 | Hydro Hawkesbury Inc. | \$26,420.72 |
| 30 | Hydro One Brampton Networks | \$444,880.45 |
| 31 | Hydro Ottawa Ltd. | \$1,017,550.77 |
| | CASSELMAN HYDRO INC. | \$3,305.26 |
| 32 | Innisfil Hydro Distribution Systems Ltd. | \$33,430.63 |
| 33 | Kenora Hydro Electric Corp. Ltd. | \$16,296.32 |
| 34 | Kingston Electricity Distribution Ltd.142446 Ontario Ltd. | \$104,031.09 |
| 35 | Kitchener-Wilmot Hydro Inc. | \$271,910.14 |
| 36 | Lakefront Utilities Inc. | \$36,872.16 |
| 37 | Lakeland Power Dist. Ltd. | \$31,478.25 |
| 38 | London Hydro Utilities Services Inc. | \$457,241.98 |
| 39 | Middlesex | \$25,780.68 |
| | DUTTON HYDRO INC. | \$1,254.13 |
| | NEWBURY POWER INC. | \$556.81 |
| 40 | Midland Power Utility Corp. | \$31,756.33 |
| 41 | Milton Hydro Dist. Inc. | \$74,673.59 |
| 42 | Newmarket- Tay Power Distribution Ltd. | \$0.00 |
| | TAY HYDRO ELECTRIC DISTRIBUTION CO. INC. | \$7,162.40 |
| | NEWMARKET HYDRO LTD. | \$88,162.91 |
| 43 | Niagara on the Lake Hydro Inc. | \$24,800.65 |
| 44 | Niagara Peninsula Energy Inc. (Niagara Falls, PenWest) | \$116,068.52 |
| | PENINSULA WEST UTILITIES LTD. | \$51,312.53 |
| 45 | Norfolk Power Distribution Co. Ltd. | \$55,876.38 |
| 46 | North Bay Hydro Distribution Ltd. | \$87,552.60 |
| 47 | Northern Ontario Wires Inc. | \$18,433.02 |
| | KAPUSKASING PUC | \$2,968.30 |
| 48 | Oakville Hydro Electricity Distribution Inc. | \$257,572.31 |
| 49 | Orangeville Hydro Ltd.(Grand Valley) | \$32,833.10 |
| | GRAND VALLEY ENERGY INC. | \$1,590.02 |
| 50 | Oshawa PUC Networks Inc. | \$171,994.93 |
| 51 | Ottawa River Power Corp | \$25,966.85 |
| | KILLALOE HEC | \$394.20 |
| | MISSISSIPPI MILLS PUC | \$2,058.64 |

| | <u>Affected Electricity Distributors</u> | <u>Recovery Amount</u> |
|----|--|------------------------|
| 52 | Parry Sound Power Corp. | \$12,414.74 |
| 53 | Peterborough Distribution Inc. | \$103,599.84 |
| | LAKEFIELD DIST. INC. | \$4,752.69 |
| | ASPHODEL-NORWOOD DIST. INC. | \$1,925.39 |
| 54 | Port Colborne Hydro Inc. | \$28,872.42 |
| 55 | Powerstream Inc. | \$0.00 |
| | RICHMOND HILL HYDRO INC. | \$144,833.23 |
| | AURORA HYDRO CONNECTIONS LTD. | \$54,628.33 |
| | HYDRO VAUGHAN DISTRIBUTION INC. | \$352,990.39 |
| | MARKHAM HYDRO DISTRIBUTION INC. | \$273,886.24 |
| | BARRIE HYDRO DIST. INC. | \$170,592.02 |
| | BRADFORD-WEST GWILLIMBURY PUC | \$6,224.56 |
| | ESSA TWP. HEC | \$240.31 |
| | NEW TECUMSETH HEC | \$11,365.94 |
| | PENETANGUISHENE HEC | \$4,560.60 |
| 56 | Renfrew Hydro Inc. | \$14,453.29 |
| 57 | Rideau St. Lawrence Dist. Inc. | \$18,391.97 |
| 58 | Sioux Lookout Hydro Inc. | \$12,422.98 |
| 59 | St. Thomas Energy Inc. | \$52,622.33 |
| 60 | Thunder Bay Hydro Electricity Dist. Inc. | \$160,239.21 |
| 61 | Toronto Hydro-Electric System Limited | \$7,525,588.82 |
| 62 | Tillsonburg Hydro Inc. | \$29,932.56 |
| 63 | Veridian Connections Inc. | \$280,780.55 |
| | 1382154 ONTARIO LTD. [Brock HEC] | \$3,068.61 |
| | BELLEVILLE ELECTRIC CORP. | \$29,382.69 |
| | PORT HOPE HEC | \$11,119.02 |
| | GRAVENHURST HYDRO ELECTRIC INC. | \$14,065.49 |
| | SCUGOG HYDRO ENERGY CORP. | \$6,908.95 |
| 64 | Wasaga Distribution Inc. | \$14,942.12 |
| 65 | Waterloo North Hydro Inc. | \$173,479.23 |
| 66 | Welland Hydro-Electric System Corp. | \$74,531.55 |
| 67 | Wellington North Power Inc.(Wellington) | \$11,517.59 |
| 68 | West Coast Huron Energy Inc.(Goderich Hydro) | \$18,419.16 |
| 69 | West Perth Power Inc. | \$8,514.12 |
| 70 | Westario Power Inc. | \$58,336.87 |
| | MINTO HYDRO INC. | \$2,395.91 |
| | WALKERTON PUC (including Elmwood HS) | \$2,964.81 |

| <u>Affected Electricity Distributors</u> | <u>Recovery Amount</u> |
|--|------------------------|
| 71 Whitby Hydro Electric Corp. | \$124,544.36 |
| 72 Woodstock Hydro Services Inc. | \$57,743.72 |
| Total Recovery Amount | \$17,690,907.53 |