Ontario Energy Board P.O. Box 2319 27th. Floor 2300 Yonge Street Toronto ON M4P 1E4 Telephone: 416- 481-1967 Facsimile: 416- 440-7656 Toll free: 1-888-632-6273

July 6, 2011

Commission de l'énergie de l'Ontario C.P. 2319 27e étage 2300, rue Yonge Toronto ON M4P 1E4 Téléphone: 416-481-1967 Télécopieur: 416- 440-7656 Numéro sans frais: 1-888-632-6273



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

Dear Ms. Walli:

Re: Festival Hydro Inc. – Extension to Mandated Time-of-Use Pricing Date for Regulated Price Plan Consumers Board File No.: EB-2011-0138

Please find enclosed Board Staff's submission respecting the above application.

Please forward the submission along with this cover letter to the applicant in this proceeding.

Yours truly,

Original signed by

George Dimitropoulos Advisor, Licence Applications

Attachment



ONTARIO ENERGY BOARD

BOARD STAFF SUBMISSION

Application for Extension to Mandated Time of Use Pricing Date for Regulated Price Plan Consumers

Festival Hydro Inc.

EB-2011-0138

July 6, 2011

BACKGROUND

Festival Hydro Inc. ("Festival") filed an application dated May 10, 2011 with the Ontario Energy Board, for a licence amendment granting an extension in relation to the mandated date for the implementation of time-of-use ("TOU") pricing rates for Regulated Price Plan consumers.

Festival is requesting an extension from its September 2011 TOU pricing date and requesting a new date of May 2012. Festival states the extension is necessary due to key human resource losses during TOU implementation, delays retrofitting the customer information system ("CIS") software and to educate customers on TOU prior to transitioning to TOU prices.

The Board issued a Notice of Application and Hearing on May 26, 2011. Board staff filed interrogatories on the application on June 15, 2011. Festival responded to these interrogatories on June 29, 2011.

This submission is being provided by Board staff following a review of the application and evidence filed in this proceeding.

STAFF SUBMISSION

Festival Hydro provided three reasons for requesting an extension: (1) human resources losses; (2) CIS software implementation; and, (3) additional customer education.

Board staff has no issue with Festival Hydro's application as it relates to human resource losses and CIS software implementation. In both instances, Festival Hydro experienced unanticipated and extraordinary circumstances that have hindered its ability implement TOU pricing in the timeframe mandated by the Board.

With respect to Festival Hydro's request for an extension as it relates to providing extra consumer education, staff observes that Festival states that it plans a 4-week period allowing customers to access a TOU web presentment tool to monitor usage under TOU, but not bill customers on a TOU basis. Staff notes that Festival indicates in its interrogatory responses that in the absence of pursuing the web access period that it is technically feasible to move its TOU roll-out forward by 4 weeks.

In closing, staff submits Festival Hydro be granted an extension.

All of which is respectfully submitted.