



EB-2011-0107

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 Orillia
Power Distribution Corporation seeking an extension to its
mandated time-of-use pricing date for certain Regulated
Price Plan consumers.

By delegation, before: Theodore Antonopoulos

DECISION AND ORDER

Orillia Power Distribution Corporation (“Orillia Power”) filed an application dated April 12, 2011 with the Ontario Energy Board under section 74 of the *Ontario Energy Board Act, 1998*, for a licence amendment granting an extension in relation to the mandated date for the implementation of time-of-use (“TOU”) pricing rates for certain Regulated Price Plan (“RPP”) consumers.

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 RPP 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 RPP 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

Orillia Power applied for an extension to its mandated June 2011 TOU pricing date for eligible General Service under 50 kW ("GS<50kW") customers requiring three phase smart meters and requested a new date of November 2011 for this group of customers. Orillia Power stated the extension is necessary due to prolonged delays experienced in delivery of three phase smart meters. The extension affects approximately 800 GS<50kW customers.

The Board issued a Notice of Application and Written Hearing for Orillia Power's application on April 29, 2011, and interrogatories and submissions on the application were invited. The applicant responded to interrogatories filed by Board staff, providing more information about the delay and progress to date in implementing TOU pricing. Board staff filed a submission on the application stating it had no issues with the request for extension. The applicant did not respond to the submission. No other parties filed interrogatories or submissions on this application.

In its application, Orillia Power stated that it has experienced unexpected and ongoing delays in the supply of the poly-phase smart meters required for its GS<50kW customers. Orillia stated the General Electric three phase smart meters it had ordered were delayed and has only accepted delivery for 50% of its order. In response to interrogatories, Orillia stated that throughout late 2010 and early 2011, it became apparent to Orillia that General Electric production capabilities were constrained, leading to numerous production delays and deferral of Orillia Power's expected delivery date. Orillia Power indicated that it has registered 11,721 meters with the SME's MDM/R to date. This represents more than 99% of its residential customers and 35% of its GS<50kW customers. Orillia Power stated it expects to be billing these customers using TOU pricing by its mandated June 2011 TOU date. Orillia Power stated it has begun deployment of its three phase smart meters and expects to be billing these customers on TOU by the requested date of November 2011.

BOARD FINDINGS

I find the application should be granted. Orillia Power will be exempted from the requirement to apply TOU pricing under the Standard Supply Service Code until November 30, 2011.

Orillia Power has taken the responsible step of seeking an extension from the Board in advance of its mandated TOU date. The reasons given in the application for missing the original date are credible and supported by the evidence filed with the application. Orillia Power has made a considerable effort towards completing TOU pricing implementation, and has installed smart meters for approximately 99% of its eligible residential customers and, due to the delay, 50% of its GS<50kW customers. I find that the difficulties and delay encountered by Orillia Power in relation to the delivery of three phase meters, to be an extraordinary and unanticipated circumstance sufficient to justify an extension to Orillia Power's mandated TOU pricing date.

The findings in this decision should in no way be construed as determinative of any future cost recovery applications that the applicant may make.

IT IS THEREFORE ORDERED THAT:

1. Orillia Power Distribution Corporation's distribution licence ED-2002-0530, 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. This exemption will expire on November 30, 2011.

DATED at Toronto, July 15, 2011

ONTARIO ENERGY BOARD

Original signed by

Theodore Antonopoulos
Manager, Electricity Rates