



EB-2011-0094

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
Wasaga Distribution Inc. seeking an extension to its
mandated time-of-use pricing date.

By delegation, before: Theodore Antonopoulos

DECISION AND ORDER

Wasaga Distribution Inc. ("Wasaga") filed an application dated April 4, 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 Regulated Price Plan ("RPP") consumers. The Board assigned the application file number EB-2011-0094.

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

Wasaga applied for an extension to its mandated June 2011 TOU pricing date and requested a new TOU pricing date of November 2011. Wasaga states the extension is necessary as a result of delays experienced implementing a new customer information system ("CIS") and advanced metering infrastructure and technical issues that have arisen during testing with the Independent Electricity System Operator ("IESO").

The Board issued a Notice of Application and Written Hearing for Wasaga's application on April 12, 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, Wasaga stated that testing with the IESO had proven to be more resource intensive than originally anticipated and that it had been working with the IESO to meet realistic milestones ensuring success moving forward. In response to interrogatories, Wasaga indicated that issues configuring its AS2 client with the hosted CIS environment caused a two week delay that was unforeseen. Wasaga stated that a new CIS was implemented in January 2011 and staff was still familiarizing itself with it. Configuration errors hampered test results causing a delay until the issue was rectified. Wasaga stated that testing took longer than anticipated due to the business processes changes required, which became evident during unit testing. Wasaga indicated that the unit testing environment with the IESO has helped test the processes, but it has been longer and more labour intensive than anticipated. Wasaga also noted that it has installed smart meters for 99% of its eligible customers.

BOARD FINDINGS

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

Wasaga 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. Wasaga has made a considerable effort towards completing TOU pricing implementation, and has installed smart meters for approximately 99% of its eligible customers. I find that the difficulties and delay encountered by Wasaga in relation to implementation of the CIS and unit testing with the IESO to be extraordinary and unanticipated circumstances sufficient to justify an extension to Wasaga'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. Wasaga Distribution Inc.'s distribution licence ED-2002-0544, 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