



EB-2011-0114

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
Wellington North Power Inc.. seeking an extension to its
mandated time-of-use pricing date.

By delegation, before: Jennifer Lea

DECISION AND ORDER

Wellington North Power Inc. ("Wellington North") filed an application dated April 15, 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-2011-0114.

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

Wellington North applied for an extension to its mandated June 2011 TOU pricing date and requested a new TOU pricing date of January 2012. Wellington North states the extension is necessary due to complications arising from implementing a customer information system (“CIS”) conversion.

The Board issued a Notice of Application and Written Hearing for Wellington North’s application on April 28, 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. No other parties filed interrogatories or submissions on this application.

In its application, Wellington North stated it has worked diligently in meeting the mandate for TOU pricing, having installed smart meters on all its eligible residential and low volume general service customers. Wellington North stated that complications arose during the installation of patches for the CIS. These complications caused the test environment to be overwritten, and meter data and transactions to be lost. Wellington North indicated unit testing then had to be restarted, causing further delays in the planned cutover to the meter data management repository. In response to interrogatories, Wellington North provided more detail on its progress implementing TOU pricing. Wellington North also provided details on the circumstances that resulted in the delay of TOU pricing, including the unexpected loss of key personnel, CIS system complications and incomplete test results.

Board staff submitted that it had no issues with Wellington North’s request for extension to its TOU pricing date. However, staff noted the fact that Wellington North received incomplete test results and requested further detail on why the test results were incomplete and what steps were being taken to ensure acceptance of the test results.

Wellington North responded to Board staff’s submission with further detail regarding the incomplete test results as well as its plan to mitigate the delay and ensure acceptance of the test results. Correspondence with meter data management repository staff was filed, demonstrating the validation of unit testing results.

BOARD FINDINGS

I find the application should be granted. Wellington North will be exempted from the requirement to apply TOU pricing under the Standard Supply Service Code until January 31, 2012.

Wellington North 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 detailed evidence filed with the application. Wellington North has made a considerable effort towards completing TOU pricing implementation, and has installed smart meters for all of its eligible customers. I find that the difficulties and delay encountered by Wellington North in relation to its CIS and unit testing to be extraordinary and unanticipated circumstances sufficient to justify an extension to Wellington North'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. Wellington North Power Inc.'s distribution licence ED-2002-0511, 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 January 31, 2012.

DATED at Toronto, July 27, 2011

ONTARIO ENERGY BOARD

Original signed by

Jennifer Lea
Counsel, Special Projects