



**EB-2011-0132**

**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  
Veridian Connections Inc. seeking an extension to its  
mandated time-of-use pricing date.

**By delegation, before:** Theodore Antonopoulos

## **DECISION AND ORDER**

Veridian Connections Inc. ("Veridian") filed an application dated May 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 certain Regulated Price Plan ("RPP") consumers. The Board assigned the application file number EB-2011-0132.

## **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**

Veridian applied for an extension from its June 2011 TOU pricing date and requested a new date of December 31, 2011 for approximately 7,100 customers. Veridian stated that 6,200 of these customers were initially hard to reach customers that were not equipped with smart meters at the time their billing cycle was scheduled for transition to TOU rates. Veridian was unable to install smart meters for an additional 900 of these customers due to restricted access to the meter base as well as due to physical barriers in front of the meter bases, and difficulties in scheduling power interruptions for affected customers. Veridian stated it began billing a majority of its customers on a TOU basis in the spring of 2010. However, Veridian indicated that the 6,200 customers with eligible TOU meters had yet to be transferred to TOU rates due to the work being constrained due to the timing of legacy and billing cycles.

The Board issued a Notice of Application and Written Hearing for Veridian's application on May 26, 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, Veridian stated the accounts with installed smart meters are being transitioned to TOU rates as quickly as possible. Veridian indicated the transition of the 6,200 customers would be complete by September 30, 2011. Veridian assured that it will make its best efforts to complete the installation of the remaining 900 hard to reach accounts. It projects to have all RPP-eligible customers including the 900 hard to reach customers on TOU rates by December 2011. Veridian requested approval for a TOU extension to December 2011 for all 7,100 customers.

In response to interrogatories, Veridian indicated that the initially projected 7,100 customers to be affected had increased to 7,821. Veridian outlined a billing rollout

schedule for these customers from July to December. Veridian reasoned that this schedule was necessary due to the constraints of the billing cycles. Veridian also outlined its plan to install smart meters for its identified 900 hard-to-reach accounts. The plan included a written notice and phone campaign to communicate to these customers. As of June 1<sup>st</sup>, the number of hard reach customers yet to be installed smart meters had decreased to 668. These remaining hard to reach accounts included 455 Residential and 213 General Service < 50 kW customers. Veridian indicated it was confident these measures would result in transitioning the remaining 668 customers to TOU rates during the months of October to December 2011.

## **BOARD FINDINGS**

I find the application should be granted. Veridian will be exempted from the requirement to apply TOU pricing under the Standard Supply Service Code until December 31, 2011 for the identified 7,821 hard to reach customers.

Veridian 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. Veridian 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 Veridian in relation to the hard to reach accounts and installation of smart meters to be extraordinary and unanticipated circumstances sufficient to justify an extension to Veridian's mandated TOU pricing date for these customers.

## **IT IS THEREFORE ORDERED THAT:**

1. Veridian Connections Inc.'s distribution licence ED-2002-0503, 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 for 7,821 hard to reach customers under the Standard Supply Service Code for Electricity Distributors. This exemption will expire on December 31, 2011.

**DATED** at Toronto, August 24, 2011

**ONTARIO ENERGY BOARD**

*Original signed by*

Theodore Antonopoulos  
Manager, Electricity Rates