



**EB-2011-0247**

**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  
Tillsonburg Hydro Inc. seeking an extension to its mandated  
time-of-use pricing date.

**By delegation, before:** Theodore Antonopoulos

## **DECISION AND ORDER**

Tillsonburg Hydro Inc. ("Tillsonburg") filed an application dated June 21, 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 file number EB-2011-0247 to the application.

## **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 its 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

Tillsonburg applied for an extension to its June 2011 mandated TOU pricing date and requested a new date of January 2012 for all of its RPP consumers with eligible TOU meters. Tillsonburg stated that an extension is necessary due to delays experienced in relation to its customer information system, testing and training of staff and customer education on TOU pricing.

The Notice of Application and Written Hearing for Tillsonburg's application was issued on July 8, 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. No other parties participated in this proceeding.

In its application, Tillsonburg indicated there were a number of technological issues that needed to be resolved before it moved to TOU pricing. Tillsonburg stated that meter reading communications needed to be improved, along with a number of synchronization related issues with the customer information system and the meter data management repository. Other technological issues having to do with the customer web presentment tool were also being developed to rollout to customers two months prior to transitioning to TOU pricing. Tillsonburg noted that the resignation of key personnel in charge of the smart metering initiative and the training of staff in customer service and billing areas, also negatively impacted its scheduling and the resolution of technological, testing and training issues.

Board staff filed a submission on the application stating that staff agreed with Tillsonburg that it has experienced extraordinary and unanticipated circumstances that have made it unable to meet its current mandatory TOU date and warrant an extension to January 2012 as proposed by Tillsonburg. However, Board staff also submitted that Tillsonburg had not presented evidence that adequately demonstrated an ability to meet the requested extension date, stating that additional information was required regarding project management, human resources, and technological issues for the Board to have confidence that Tillsonburg would be able to meet its requested TOU date of January 2012.

In its reply submission, Tillsonburg stated that it had set-up a project team to oversee TOU implementation and ensure that the status of its TOU implementation was accurately described in future monthly reports to the Board. Tillsonburg also stated that its senior management and other key staff are holding at least monthly project meetings to ensure that the issues are resolved quickly. Further, Tillsonburg provided additional detail regarding its technological issues.

## **BOARD FINDINGS**

I find the application should be granted as requested. Tillsonburg's technological and staffing issues represent operational and technical barriers to implementing TOU pricing. I find that the difficulties and delay encountered to be an extraordinary and unanticipated circumstance sufficient to justify an extension to Tillsonburg's mandated TOU pricing date. Tillsonburg will be exempted from the requirement to apply TOU pricing under the Standard Supply Service Code until January 15, 2012.

However, this finding should not be construed as acceptance of the applicant's argument that additional time is required to address customer education. Extraordinary or unanticipated circumstances generally relate to operational or technical issues.

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

I expect Tillsonburg to work diligently to implement TOU for its customers and provide the Board with timely information regarding the implementation of TOU pricing.

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

1. Tillsonburg Hydro Inc.'s distribution licence ED-2003-0026, 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 15, 2012.

**DATED** at Toronto, August 26, 2011

**ONTARIO ENERGY BOARD**

*Original signed by*

Theodore Antonopoulos  
Manager, Electricity Rates