

**APPENDIX: Guelph_BrdStaff_IRR_33_a_ii
Board Decisions**

2001 Rate Decision GHESI and WEDCO

**Ontario Energy
Board**

P.O. Box 2319
2300 Yonge Street
26th Floor
Toronto ON M4P 1E4
Telephone: (416) 481-1967
Facsimile: (416) 440-7656

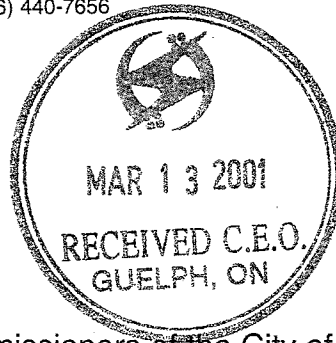
**Commission de l'Énergie
de l'Ontario**

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March 12, 2001

Mr. J.A. MacKenzie
General Manager & Secretary
The Board of Light and Heat Commissioners of the City of Guelph
104 Dawson Road
Guelph, Ontario
N1H 1A7



Writer's Direct Line (416) 440-7607
BY PRIORITY POST

Dear Mr. MacKenzie:

Re: **The Board of Light and Heat Commissioners of the City of Guelph
("Guelph Hydro") Board File No. RP-2000-0039**

The Board has today issued its Decision and Order in the above matter and an executed copy is enclosed herewith.

You are directed:

1. to immediately serve a copy of this Decision and Order, either personally, by registered mail, or by courier, upon each intervenor of record in RP-2000-0039/EB-2000-0414; and
2. to file with the Board affidavit evidence proving the above service to intervenors immediately upon completion.

Yours truly,

A handwritten signature in cursive script that reads "Paul B. Pudge".

Paul B. Pudge
Board Secretary

Encl.



RP-2000-0039
EB-2000-0414

IN THE MATTER OF the Ontario Energy Board Act, 1998,
S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by Guelph
Hydro Electric Systems Inc. for an order or orders approving
or fixing just and reasonable rates.

BEFORE: Paul Vlahos
Vice Chair and Presiding Member

George A. Dominy
Vice Chair and Member

DECISION WITH REASONS AND ORDER

Guelph Hydro Electric Systems Inc. ("Guelph Hydro" or the "Applicant") filed with the Ontario Energy Board ("the Board") an Application ("the Application") dated April 17, 2000 for an order or orders approving or fixing just and reasonable rates for the distribution of electricity. Under the direction of the Board, Guelph Hydro published in local newspapers a Notice of Application and Notice of Written Hearing. Two interventions were received.

The Board issued its RP-2000-0069 Decision with Reasons on September 29, 2000, concerning certain matters relating to the June 7, 2000 Directive by the Minister of Energy, Science and Technology. On September 29, 2000, the Board also issued a Letter of Direction to Licensed Distribution Utilities which directed utilities to file, or in the case of utilities with Applications pending before the Board, to re-file applications for unbundled rates no later than November 30, 2000.

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On November 3, 2000, the Board issued its revised Electricity Distribution Rate Handbook which indicated that utilities re-filing applications should also submit copies of their revised applications to all intervenors of record.

Guelph Hydro re-filed with the Board a Rate Application ("the Revised Application") dated November 15, 2000, for an order or orders approving or fixing just and reasonable rates for the distribution of electricity commencing March 1, 2001.

The Board received confirmation from the two intervenors on March 5, 2001 and March 7, 2001 indicating that they did not wish to make submissions on the Application.

Guelph Hydro has elected to use the maximum allowable Target Return on Common Equity of 9.88%. The resulting incremental revenue is \$1.157 million, which is one third of the amount required to achieve the Target Rate on Equity, exclusive of Payment in Lieu of Taxes. The Revised Application also states that for residential customers consuming 1,000 kWh per month, the percentage increase in their total bill in the first year of the rate mitigation plan is 2.6% and for General Service customers consuming 2,000 kWh per month, the percentage increase in their total bill in the first year of the rate mitigation plan is 0.6%.

Copies of the Application, including the evidence filed in this proceeding, are available for review at the Board's offices.

Board Findings

While the Board has considered all of the evidence filed in this proceeding, the Board has only referenced the evidence to the extent necessary to provide background to its findings.

The Board finds that Guelph Hydro's election of a 9.88% Target Rate of Return on Common Equity, and its plan for mitigation of the impact of that election on customers, is in conformity with the Rate Handbook and the RP-2000-0069 Decision, and are acceptable.

The Board is satisfied that there are no significant deviations from the Rate Handbook.

Guelph Hydro has indicated that approximately 221 customers in the General Service >50 kW non-TOU rate class and four customers in the General Service >50 kW TOU class will see rate

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impacts of greater than 10%. Customers with poor load factors and/or cold storage/irrigation (seasonal use) make up a large proportion of this group. Guelph Hydro indicated that it intends to inform these customers that by improving their load factors they may reduce the rate impacts. The Board notes Guelph Hydro's intention and expects the utility to continue to work with the affected customers to help them improve their load factors.

Guelph Hydro proposed to maintain the 5% one-time late payment charge. The Board expects Guelph Hydro to examine the appropriateness of this charge and report on this issue at the time it files for its next application for any rate changes.

The Board finds that the rates applied for are just and reasonable.

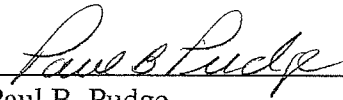
By letter dated February 28, 2001, the Board indicated that the rates set out in the Transitional Distribution Rate Order are declared interim as of March 1, 2001 for all licensed distributors who filed submissions for unbundled distribution rates on or before February 28, 2001. Guelph Hydro proposes to implement the new rates on April 1, 2001. The Board finds this acceptable.

THE BOARD ORDERS THAT:

1. The rates declared interim by letter dated February 28, 2001 are hereby approved, as final rates for the period March 1, 2001 to March 31, 2001.
2. The rates as set out in Appendix "A" of this order are hereby approved, effective April 1, 2001.

DATED at Toronto, March 12, 2001.

ONTARIO ENERGY BOARD

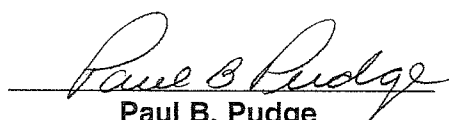

Paul B. Pudge
Board Secretary

Appendix "A"

RP-2000-0039
EB-2000-0414

March 12, 2001

ONTARIO ENERGY BOARD


Paul B. Pudge
Board Secretary

Guelph Hydro Electric Systems Inc.
Schedule of Rates
Effective April 1, 2001

Time Periods for Time of Use Rates (Local Time)

Winter:	all hours October 1 through March 31
Summer:	all hours April 1 through September 30
On-Peak:	07:00 to 23:00 hours Monday to Friday inclusive, except for public holidays, including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (as in Toronto), Labour Day, Thanksgiving Day, Christmas & Boxing Days.
Off-Peak:	all other hours.

Residential

Monthly Service Charge	(per month)	\$10.99
Distribution Volumetric Charge	(per kWh)	\$0.0098
Cost of Power	(per kWh)	\$0.0667

General Service Non-Time of Use (Less than 50 kW)

Monthly Service Charge	(per month)	\$8.98
Distribution Volumetric Charge	(per kWh)	\$0.0135
Cost of Power	(per kWh)	\$0.0656

General Service Non-Time of Use (Greater than 50 kW)

Monthly Service Charge	(per month)	\$188.95
Distribution Volumetric Charge	(per kW)	\$1.6980
Cost of Power	(per kWh)	\$0.0442
Cost of Power	(per kW)	\$8.0397

General Service Time of Use (Greater than 50 kW)

Monthly Service Charge	(per month)	\$483.22
Distribution Volumetric Charge	(per kW)	\$1.4135
Cost of Power: Winter-Peak	(per kW)	\$9.7578
Cost of Power: Summer-Peak	(per kW)	\$7.1472
Cost of Power: Winter-Peak	(per kWh)	\$0.0626
Cost of Power: Winter-Off-Peak	(per kWh)	\$0.0344
Cost of Power: Summer-Peak	(per kWh)	\$0.0517
Cost of Power: Summer-Off-Peak	(per kWh)	\$0.0236

Sentinel Lighting

Monthly Service Charge	(per month)	\$5.18
Distribution Volumetric Charge	(per kW)	\$3.4325
Cost of Power	(per kW)	\$20.089

Street Lighting

Monthly Service Charge	(per month)	\$0.15
Distribution Volumetric Charge	(per kW)	\$0.5501

Cost of Power	(per kW)	\$24.255
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Large Use

Monthly Service Charge	(per month)	\$700.92
Distribution Volumetric Charge	(per kW)	\$1.2983
Cost of Power: Winter-Peak	(per kW)	\$11.689
Cost of Power: Summer-Peak	(per kW)	\$8.7494
Cost of Power: Winter-Peak	(per kWh)	\$0.0615
Cost of Power: Winter-Off-Peak	(per kWh)	\$0.0338
Cost of Power: Summer-Peak	(per kWh)	\$0.0508
Cost of Power: Summer-Off-Peak	(per kWh)	\$0.0232

Un-metered Scattered Loads

Un-metered scattered loads such as cable amplifiers and traffic lights will be billed on estimated kWh usage which in turn is based on connected load estimates. Accounts with multiple sites will be billed as one customer rather than treating each site as if it were a separate account.

Monthly Service Charge	(per month)	\$8.98
Distribution Volumetric Charge	(per kWh)	\$0.0135
Cost of Power	(per kWh)	\$0.0656

Specific Service Charges

Late payment (per month; per annum)	5.0%, 60%
Returned cheque charge	\$8.55
Collection of account charge	\$9.00
Reconnecting - at pole during regular working hours	\$50.00
Reconnecting - at pole after regular working hours	\$95.00
Reconnecting - at metre during regular working hours	\$20.00
Reconnecting - at metre after regular working hours	\$50.00
Service Calls - during regular working hours	\$17.50
Service Calls - after regular working hours	\$95.00
Account set up charge	\$8.75
Dispute involvement charge	\$10.00

July 4, 2000

**RP-2000-0039
GUELPH HYDRO
Electricity Distribution Rates**

Applicant

Guelph Hydro

Rep. and Address for Service

James A. MacKenzie
General Manager & Secretary
Guelph Hydro
104 Dawson Road
Guelph, ON
N1H-1A7

Tel:1-519-822-3017
Fax:1-519-836-1055

Reporting Service

StenoTran

Rep. and Address for Service

Mr. Bill Curly
StenoTran
2450 Lancaster Road
Suite 11
Ottawa, Ontario
K1B 5N3

Tel: 1-613-521-0703
Fax: 1-613-521-7668

Intervenors

1. **Direct Energy Marketing Limited**

Rep. and Address for Service

Mr. David M. Brown
Stikeman Elliott
Barristers & Solicitors
5300 Commerce Court West
199 Bay Street
Toronto, Ontario
M5L 1B9

Tel:(416) 869-5602
Fax:(416) 947-0866

And

Mr. Gerry Viillanueva
Director
Direct Energy Marketing Limited
25 Sheppard Ave. West
Suite 1400
Toronto, Ontario
M2N 6S6

Tel: (416) 221-4441
Fax: (416) 250-2980

2. **Hydro One Networks Inc.**

Glen MacDonald
Senior Advisor - Regulatory Review
Hydro One Networks Inc.
13th Floor, North Tower
483 Bay Street
Toronto Ontario
M5G 2P5

Tel: 345-5913
Fax: 345-5866

**Ontario Energy
Board**

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**Commission de l'Énergie
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Writer's Direct Line (416) 440-7605

PRIORITY POST

March 26, 2001

Mr. J.A. MacKenzie
President & CEO
Wellington Electric Distribution Company Inc.
104 Dawson Road
Guelph, Ontario
N1H 1A7

Dear Mr. MacKenzie:

Re: Wellington Electric Distribution Company Inc. - Rates Application
Board Files: RP-2000-0191

The Board has today issued its Decision and Order in the above matter and an executed copy is enclosed herewith.

You are directed:

1. to immediately serve a copy of this Decision and Order, either personally, by registered mail, or by courier, upon each intervenor of record in RP-2000-0191/EB-2000-0415; and
2. to file with the Board affidavit evidence proving the above service to intervenors immediately upon completion.

Yours truly,

A handwritten signature in black ink, appearing to read "P. O'Dell".

Peter H. O'Dell
Assistant Board Secretary

Encl.





RP-2000-0191
EB-2000-0415

IN THE MATTER OF the Ontario Energy Board Act, 1998,
S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by Wellington
Electric Distribution Company Inc. for an order or orders
approving or fixing just and reasonable rates.

BEFORE: Paul Vlahos
Vice Chair and Presiding Member

George A. Dominy
Vice Chair and Member

DECISION WITH REASONS AND ORDER

Wellington Electric Distribution Company Inc. ("Wellington Electric" or "the Applicant") filed with the Ontario Energy Board ("the Board") an Application ("the Application") dated November 17, 2000 for an order or orders approving or fixing just and reasonable rates for the distribution of electricity commencing December 1, 2000. Under the direction of the Board, Wellington Electric published in local newspapers a Notice of Application and Notice of Written Hearing. The last date of intervention was March 23, 2001. No interventions were received.

Wellington Electric has elected to use the maximum allowable Target Return on Common Equity of 9.88%. The resulting incremental revenue is \$23,723, which is one third of the amount required to achieve the Target Rate on Equity, exclusive of Payment in Lieu of Taxes. The Revised Application also states that for residential customers consuming 1,000 kWh per month, the percentage increase in their total bill in the first year of the rate mitigation plan is 1.4% while General Service customers consuming 2,000 kWh per month will not see an increase in their total bills in the first year of the rate mitigation plan.

Copies of the Application, including the evidence filed in this proceeding, are available for review at the Board's offices.

Board Findings

While the Board has considered all of the evidence filed in this proceeding, the Board has only referenced the evidence to the extent necessary to provide background to its findings.

The Board finds that Wellington Electric's election of a 9.88% Target Rate of Return on Common Equity, and its plan for mitigation of the impact of that election on customers, is in conformity with the Rate Handbook and the RP-2000-0069 Decision, and are acceptable.

The Board is satisfied that there are no significant deviations from the Rate Handbook.

Wellington Electric is proposing to maintain the 5% one-time late payment charge. The Board expects Wellington Electric to examine the appropriateness of this charge and report on this issue at the time it files for its next application for any rate changes.

The Board finds that the rates applied for are just and reasonable.

By letter dated February 28, 2001, the Board indicated that the rates set out in the Transitional Distribution Rate Order are declared interim as of March 1, 2001 for all licensed distributors who filed submissions for unbundled distribution rates on or before February 28, 2001. Wellington Hydro proposes to implement the new rates on April 1, 2001. The Board finds this acceptable.

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THE BOARD ORDERS THAT:

1. The rates declared interim by letter dated February 28, 2001 are hereby approved as final rates for the period March 1, 2001 to March 31, 2001.
2. The rates as set out in Appendix "A" of this order are hereby approved, effective April 1, 2001.

DATED at Toronto, March 26, 2001.

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

**RP-2000-0191
EB-2000-0415**

March 26, 2001

ONTARIO ENERGY BOARD

A handwritten signature in black ink, appearing to read "P. O'Dell", is written over a horizontal line.

**Peter H. O'Dell
Assistant Board Secretary**

Wellington Electric Distribution Company Inc.
Schedule of Rates
Effective April 1, 2001

Time Periods for Time of Use Rates (Local Time)

Winter:	all hours October 1 through March 31
Summer:	all hours April 1 through September 30
On-Peak:	07:00 to 23:00 hours Monday to Friday inclusive, except for public holidays, including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (as in Toronto), Labour Day, Thanksgiving Day, Christmas & Boxing Days.
Off-Peak:	all other hours.

Residential

Monthly Service Charge	(per month)	\$10.85
Distribution Volumetric Charge	(per kWh)	\$0.0080
Cost of Power	(per kWh)	\$0.0715

General Service Non-Time of Use (Less than 50 kW)

Monthly Service Charge	(per month)	\$13.39
Distribution Volumetric Charge	(per kWh)	\$0.0118
Cost of Power	(per kWh)	\$0.0703

General Service Non-Time of Use (Greater than 50 kW)

Monthly Service Charge	(per month)	\$214.16
Distribution Volumetric Charge	(per kW)	\$6.52
Cost of Power	(per kWh)	\$0.0424
Cost of Power	(per kW)	\$4.5363

Sentinel Lighting

Monthly Service Charge	(per month)	\$0.9414
Distribution Volumetric Charge	(per kW)	\$3.6313
Cost of Power	(per kW)	\$21.53

Street Lighting

Monthly Service Charge	(per month)	\$0.4038
Distribution Volumetric Charge	(per kW)	\$2.4632
Cost of Power	(per kW)	\$21.52

Un-metered Scattered Loads

Un-metered scattered loads such as cable amplifiers and traffic lights will be billed on estimated kWh usage which in turn is based on connected load estimates. Accounts with multiple sites will be billed as one customer rather than treating each site as if it were a separate account.

Monthly Service Charge	(per month)	\$13.39
Distribution Volumetric Charge	(per kWh)	\$0.0118
Cost of Power	(per kWh)	\$0.0703

Specific Service Charges

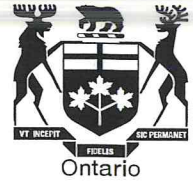
Late payment (per month; per annum)	5%; 60%
Returned cheque charge (actual bank charges plus)	\$9.00
Collection of account charge	\$9.00
Reconnection during regular working hours	\$20.00
Reconnection - after regular working hours	\$50.00
Account set up charge	\$9.50
Arrears certificate charge	\$15.00
Transformer losses	\$0.60 per kW
Dispute involvement charges	\$10.00

APPENDIX: Guelph_BrdStaff_IRR_33_a_ii
Board Decisions

2002 Rate Decision GHESI and WEDCO

Ontario Energy
Board
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Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



BY PRIORITY POST

February 28, 2002

James A. MacKenzie
General Manager & Secretary
Guelph Hydro Electric Systems Inc.
104 Dawson Road
Guelph, ON
N1H-1A7



Dear Mr. MacKenzie:

**Re: Guelph Hydro Electric Systems Inc.
March 2002 LDC Rate Adjustments
Board File No. RP-2002-0009/EB-2002-0018**

The Board has today issued its Decision and Order in the above matter and an executed copy is enclosed herewith.

Yours truly,


Peter H. O'Dell
Assistant Board Secretary

Encl.



RP-2002-0009
EB-2002-0018

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by Guelph
Hydro Electric Systems Inc. for an order or orders
approving or fixing just and reasonable rates.

BEFORE: Paul Vlahos
Vice Chair and Presiding Member

George Dominy
Vice Chair and Member

DECISION AND ORDER

On December 21, 2001 the Ontario Energy Board ("the Board") issued filing guidelines to all electricity distribution utilities for the March 1, 2002 distribution rate adjustments. Supplemental instructions were issued on January 18, 2002.

Guelph Hydro Electric Systems Inc. ("the Applicant") filed an Application ("the Application"), dated January 24, 2002, for an order or orders under section 78 of the *Ontario Energy Board Act, 1998* approving or fixing just and reasonable rates for the distribution of electricity, effective March 1, 2002.

The Board published a generic Notice in newspapers across Ontario informing ratepayers of the distribution rate adjustments to be effective March 1, 2002 and providing the opportunity for ratepayers to participate in the proceeding or

comment on the utility's application. In response to the Board's generic Notice, the Board received a total of 148 submissions in the form of a letter, facsimile, or e-mail. The total may be apportioned to the following four categories:

- 100 were copies of a template submission seeking an oral hearing, wanting to make oral submissions, claiming that rates are not just and reasonable. Another 9 were of the same template but indicated they did not wish to make an oral submission.
- 10 indicated that there should be an oral hearing and wanted to make a submission.
- 11 indicated that there should be an oral hearing but did not wish to make an oral submission.
- 18 made substantive submissions.

In some cases the submission named a specific electricity distributor, in other cases it did not. The Applicant was named in one submission of the first category.

By letter dated February 11, 2002 the Board directed electricity distributors to serve the Notice to the municipal corporation in the distributors' service area. No submissions were received.

The Applicant applied to adjust its distribution rates for the following:

- Input Price Inflation (IPI) and Productivity Factor as provided for in the Performance Based Regulation (PBR) Plan.

- the second of three installments of the utility's incremental Market Adjusted Revenue Requirement (MARR), \$1,156,560.
- the 2001 deferred Payments in Lieu of Taxes (PILs), \$1,073,337.
- the 2002 Payments in Lieu of Taxes (PILs), \$3,414,382.

In order to reduce bill impacts on small use customers, the Applicant allocated a portion of the class distribution revenue increases that are attributable to PILs only to the variable component of the distribution rate, instead of both the fixed and variable components.

Copies of the Application and supporting material are available for review at the Board's offices.

While the Board has considered all of the evidence filed in this proceeding, the Board has only referenced the evidence to the extent necessary to provide background to its findings.

Board Findings

As noted above, a number of persons have written to the Board requesting that the Board hold an oral hearing in the matter of the applications by electricity distributors.

Under subsection 5.1(2) of the *Statutory Powers Procedure Act*, the Board shall not hold a written hearing where a party satisfies it that there is good reason not to hold a written hearing, in which case the Board will proceed by way of an oral or electronic hearing. Good reasons for proceeding by way of an oral hearing may include the existence of questions of credibility in which the Board will be

assisted by the ability to observe the demeanor of witnesses or the complexity of evidence which parties should have the ability to test through cross-examination. Another good reason may be where an oral hearing would allow the Board to more expeditiously deal with an application.

The persons who have requested an oral hearing have not cited any such reasons but have in most cases merely stated that “the rates are not just and reasonable” and that they “would like the opportunity to present to the Board on this matter”.

The current proceeding is an extension of the process undertaken by the Board to restructure Ontario’s electricity distribution industry. To facilitate this work, the Board developed a regulatory framework that was the result of extensive consultation and public hearings. The current applications are the result of this framework, which is largely formulaic and includes for the first time the provision for the legislative requirement of PILs.

Persons have received an opportunity to make their concerns known to the Board through the published Notice which invited written submissions on the applications. The Board notes that a written hearing is a public process in which all documents received by the Board are available to the public. The Board further notes that most of the issues raised by the submissions of the persons requesting an oral hearing are outside of the scope of the Board’s jurisdiction in this proceeding. For example, some persons raised issues of privatization of electricity services and limitations in international trade agreements on the ability of the government to make changes to Ontario’s electricity system in the future. These are not relevant to the Board’s duty in this proceeding to approve just and reasonable rates for an individual distributor regulated by the Board.

Therefore, the Board has decided not to hold an oral hearing in this matter.

The Board adjusts the Applicant's proposals for the following reasons. For both 2001 and 2002, the Applicant did not adjust the income tax gross-up formula for the 1.12% surtax rate. Additionally, the 2002 capital cost allowance was recalculated using a declining balance. As a result,

- the 2001 deferred Payments in Lieu of Taxes (PILs) amount was adjusted to correct for an overstatement of \$18,016.
- the 2002 Payments in Lieu of Taxes (PILs) amount was adjusted to correct for an overstatement of \$34,627.

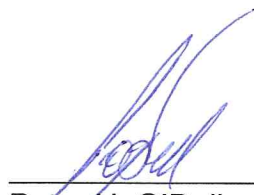
Subject to these adjustments, the Board finds that the Applicant's proposals conform with the Board's earlier decisions, directives and guidelines and the resulting rates are just and reasonable.

THE BOARD ORDERS THAT:

- 1) The rates set out in Appendix "A" of this Order are approved effective March 1, 2002.
- 2) The Applicant shall notify its customers of the rate changes coincident with the first bill reflecting the new rates.

DATED at Toronto, February 28, 2002.

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2002-0009
EB-2002-0018

February 28, 2002

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

**Guelph Hydro Electric Systems Inc.
Schedule of Rates and Charges**

RP-2002-0009
EB-2002-0018

Effective March 1, 2002

Time Periods for Time of Use (Eastern Standard Time)

Winter: All Hours, October 1 through March 31

Summer: All Hours, April 1 through September 30

Peak: 0700 to 2300 hours (local time) Monday to Friday inclusive, except for public holidays including New Year's Day, Good Friday, Victoria Day, Canada Day, Civic Holiday (Toronto) Labour Day, Thanksgiving Day, Christmas Day and Boxing Day.

Off Peak: All Other Hours.

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	\$11.77
Distribution Volumetric Rate	(per kWh)	\$0.0181
Cost of Power Rate	(per kWh)	\$0.0741

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$9.62
Distribution Volumetric Rate	(per kWh)	\$0.0193
Cost of Power Rate	(per kWh)	\$0.0730

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$202.33
Distribution Volumetric Rate	(per kW)	\$2.6389
Cost of Power Demand Rate	(per kW)	\$8.0397
Cost of Power Energy Rate	(per kWh)	\$0.0516

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$517.45
Distribution Volumetric Rate	(per kW)	\$2.0182
Cost of Power - Winter Peak	(per kW)	\$9.7578
Cost of Power - Summer Peak	(per kW)	\$7.1472
Cost of Power - Winter Peak	(per kWh)	\$0.0700
Cost of Power - Winter Off Peak	(per kWh)	\$0.0418
Cost of Power - Summer Peak	(per kWh)	\$0.0591
Cost of Power - Summer Off Peak	(per kWh)	\$0.0310

Guelph Hydro Electric Systems Inc.
Schedule of Rates and Charges - Page 2

RP-2002-0009
EB-2002-0018

Effective March 1, 2002

LARGE USE

Monthly Service Charge	(per month)	\$750.57
Distribution Volumetric Rate	(per kW)	\$1.8009
Cost of Power - Winter Peak	(per kW)	\$11.6890
Cost of Power - Summer Peak	(per kW)	\$8.7494
Cost of Power - Winter Peak	(per kWh)	\$0.0689
Cost of Power - Winter Off Peak	(per kWh)	\$0.0412
Cost of Power - Summer Peak	(per kWh)	\$0.0582
Cost of Power - Summer Off Peak	(per kWh)	\$0.0306

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$5.55
Distribution Volumetric Rate	(per kW)	\$6.6892
Cost of Power Demand Rate	(per kW)	\$22.7390

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.16
Distribution Volumetric Rate	(per kW)	\$1.0137
Cost of Power Demand Rate	(per kW)	\$26.9050

UN-METERED SCATTERED LOADS

Un-metered scattered loads will be billed as General Service < 50 kW. Accounts with multiple sites will be billed as one customer rather than treating each site as if it were a separate account. Accounts with single site will be billed on a per site (or per connection) basis.

Monthly Service Charge	(per connection or per customer)	\$9.62
Distribution Volumetric Rate	(per kWh)	\$0.0193
Cost of Power Rate	(per kWh)	\$0.0730

SPECIFIC SERVICE CHARGES

Customer Administration:

New Account Setup	\$	8.75
Dispute Involvement Charge	\$	10.00

Non-Payment of Account:

Late Penalty (Overdue Account	(per month)	1.50%
Account Interest Charge) on unpaid balance	(per annum)	19.56%

Guelph Hydro Electric Systems Inc.
Schedule of Rates and Charges - Page 3

RP-2002-0009
EB-2002-0018

Effective March 1, 2002

SPECIFIC SERVICE CHARGES (continued)

Non-Payment of Account [continued from previous page]:

Returned Cheque - Actual Bank Charges plus	\$	8.55
Collection of Account Charge	\$	9.00

Disconnect/Reconnect Charges (non payment of account)

At Pole - During Regular Hours	\$	50.00
At Pole - After Hours	\$	95.00
At Meter - During Regular Hours	\$	20.00
At Meter - After Hours	\$	50.00

Service Calls:

Additional - During Regular Hours	\$	17.50
Additional (individual) - After Hours	\$	95.00

Ontario Energy
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2300 Yonge Street
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Commission de l'Énergie
de l'Ontario
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Numéro sans frais: 1-888-632-6273



BY PRIORITY POST

February 28, 2002

Mr. Jim Fallis
Vice-President
Wellington Electric Distribution Company Inc.
104 Dawson Road
Guelph, ON
N1H 1A7

Dear Mr. Fallis:

**Re: Wellington Electric Distribution Company Inc.
March 2002 LDC Rate Adjustments
Board File No. RP-2002-0010/EB-2002-0019**

The Board has today issued its Decision and Order in the above matter and an executed copy is enclosed herewith.

Yours truly,


Peter H. O'Dell
Assistant Board Secretary

Encl.





RP-2002-0010
EB-2002-0019

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by
Wellington Electric Distribution Company Inc. for an
order or orders approving or fixing just and
reasonable rates.

BEFORE: Paul Vlahos
Vice Chair and Presiding Member

George Dominy
Vice Chair and Member

DECISION AND ORDER

On December 21, 2001 the Ontario Energy Board ("the Board") issued filing guidelines to all electricity distribution utilities for the March 1, 2002 distribution rate adjustments. Supplemental instructions were issued on January 18, 2002.

Wellington Electric Distribution Company Inc. ("the Applicant") filed an Application ("the Application"), dated January 24, 2002, for an order or orders under section 78 of the *Ontario Energy Board Act, 1998* approving or fixing just and reasonable rates for the distribution of electricity, effective March 1, 2002.

The Board published a generic Notice in newspapers across Ontario informing ratepayers of the distribution rate adjustments to be effective March 1, 2002 and

providing the opportunity for ratepayers to participate in the proceeding or comment on the utility's application. In response to the Board's generic Notice, the Board received a total of 148 submissions in the form of a letter, facsimile, or e-mail. The total may be apportioned to the following four categories:

- 100 were copies of a template submission seeking an oral hearing, wanting to make oral submissions, claiming that rates are not just and reasonable. Another 9 were of the same template but indicated they did not wish to make an oral submission.
- 10 indicated that there should be an oral hearing and wanted to make a submission.
- 11 indicated that there should be an oral hearing but did not wish to make an oral submission.
- 18 made substantive submissions.

In some cases the submission named a specific electricity distributor, in other cases it did not. The Applicant was not named in any of the submissions.

By letter dated February 11, 2002 the Board directed electricity distributors to serve the Notice to the municipal corporation in the distributors' service area. No submissions were received.

The Applicant applied to adjust its distribution rates for the following:

- Input Price Inflation (IPI) and Productivity Factor as provided for in the Performance Based Regulation (PBR) Plan.

- the second of three installments of the utility's incremental Market Adjusted Revenue Requirement (MARR), \$23,723.
- the 2001 deferred Payments in Lieu of Taxes (PILs), \$21,090.
- the 2002 Payments in Lieu of Taxes (PILs), \$68,982.

In order to reduce bill impacts on small use customers, the Applicant allocated a portion of the class distribution revenue increases that are attributable to PILs only to the variable component of the distribution rate, instead of both the fixed and variable components.

Copies of the Application and supporting material are available for review at the Board's offices.

While the Board has considered all of the evidence filed in this proceeding, the Board has only referenced the evidence to the extent necessary to provide background to its findings.

Board Findings

As noted above, a number of persons have written to the Board requesting that the Board hold an oral hearing in the matter of the applications by electricity distributors.

Under subsection 5.1(2) of the *Statutory Powers Procedure Act*, the Board shall not hold a written hearing where a party satisfies it that there is good reason not to hold a written hearing, in which case the Board will proceed by way of an oral or electronic hearing. Good reasons for proceeding by way of an oral hearing may include the existence of questions of credibility in which the Board will be

assisted by the ability to observe the demeanor of witnesses or the complexity of evidence which parties should have the ability to test through cross-examination. Another good reason may be where an oral hearing would allow the Board to more expeditiously deal with an application.

The persons who have requested an oral hearing have not cited any such reasons but have in most cases merely stated that “the rates are not just and reasonable” and that they “would like the opportunity to present to the Board on this matter”.

The current proceeding is an extension of the process undertaken by the Board to restructure Ontario’s electricity distribution industry. To facilitate this work, the Board developed a regulatory framework that was the result of extensive consultation and public hearings. The current applications are the result of this framework, which is largely formulaic and includes for the first time the provision for the legislative requirement of PILs.

Persons have received an opportunity to make their concerns known to the Board through the published Notice which invited written submissions on the applications. The Board notes that a written hearing is a public process in which all documents received by the Board are available to the public. The Board further notes that most of the issues raised by the submissions of the persons requesting an oral hearing are outside of the scope of the Board’s jurisdiction in this proceeding. For example, some persons raised issues of privatization of electricity services and limitations in international trade agreements on the ability of the government to make changes to Ontario’s electricity system in the future. These are not relevant to the Board’s duty in this proceeding to approve just and reasonable rates for an individual distributor regulated by the Board.

Therefore, the Board has decided not to hold an oral hearing in this matter.

The Board adjusts the Applicant's proposals for the following reasons. For both 2001 and 2002, the Applicant did not adjust the income tax gross-up formula for the 1.12% surtax rate. Additionally, the 2002 capital cost allowance was recalculated using a declining balance. As a result,

- the 2001 deferred Payments in Lieu of Taxes (PILs) amount was adjusted to correct for an overstatement of \$355.
- the 2002 Payments in Lieu of Taxes (PILs) amount was adjusted to correct for an overstatement of \$908.

Subject to these adjustments, the Board finds that the Applicant's proposals conform with the Board's earlier decisions, directives and guidelines and the resulting rates are just and reasonable.

THE BOARD ORDERS THAT:

- 1) The rates set out in Appendix "A" of this Order are approved effective March 1, 2002.
- 2) The Applicant shall notify its customers of the rate changes coincident with the first bill reflecting the new rates.

DATED at Toronto, February 28, 2002.

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2002-0010
EB-2002-0019

February 28, 2002

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Board Secretary

Wellington Electric Distribution Company Inc.

RP-2002-0010

Schedule of Rates and Charges

EB-2002-0019

Effective March 1, 2002

Cost of Power rates valid only until subsection 26(1) of the Electricity Act, 1998 comes into effect.

RESIDENTIAL

Monthly Service Charge	(per month)	\$11.72
Distribution Volumetric Rate	(per kWh)	\$0.0153
Cost of Power Rate	(per kWh)	\$0.0789

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$14.47
Distribution Volumetric Rate	(per kWh)	\$0.0188
Cost of Power Rate	(per kWh)	\$0.0777

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$231.43
Distribution Volumetric Rate	(per kW)	\$9.9602
Cost of Power Demand Rate	(per kW)	\$4.5363
Cost of Power Energy Rate	(per kWh)	\$0.0498

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$1.02
Distribution Volumetric Rate	(per kW)	\$3.9242
Cost of Power Demand Rate	(per kW)	\$24.1800

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.44
Distribution Volumetric Rate	(per kW)	\$4.3948
Cost of Power Demand Rate	(per kW)	\$24.1700

UN-METERED SCATTERED LOADS

Un-metered scattered loads will be billed as General Service < 50 kW. Accounts with multiple sites will be billed as one customer rather than treating each site as if it were a separate account. Accounts with single site will be billed on a per site (or per connection) basis.

Monthly Service Charge	(per connection or per customer)	\$14.47
Distribution Volumetric Rate	(per kWh)	\$0.0188
Cost of Power Rate	(per kWh)	\$0.0777

Effective March 1, 2002

SPECIFIC SERVICE CHARGES

Customer Administration:

New Account Setup	\$	9.50
Arrears Certificate		\$15.00
Dispute Involvement Charge	\$	10.00

Non-Payment of Account:

Late Penalty (Overdue Account	(per month)	1.50%
Account Interest Charge) on	(per annum)	19.56%
unpaid balance		

Returned Cheque - Actual Bank Charges plus	\$	9.00
Collection of Account Charge	\$	9.00

Disconnect/Reconnect Charges (non payment of account)

During Regular Hours	\$	20.00
After Hours	\$	50.00

Transformation Ownership Allowance	(per kW)	\$	0.60
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**APPENDIX: Guelph_BrdStaff_IRR_33_a_ii
Board Decisions**

2004 Rate Decision GHESI and WEDCO

1/4

Ontario Energy
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Commission de l'Énergie
de l'Ontario
C.P. 2319
2300, rue Yonge
26e étage
Toronto ON M4P 1E4
Téléphone: (416) 481-1967
Télécopieur: (416) 440-7656



March 11, 2004

James MacKenzie
President & CEO
Guelph Hydro Electric Systems Inc.
104 Dawson Road
Guelph ON
N1H 1A7

Dear Mr. MacKenzie:

**Re: Distribution Rate Application
Board Decision and Order and Interim Rate Schedule**

Attached is the Board's Decision and Order and Interim Rate Schedule with respect to your company's distribution rate application regarding the partial recovery of Regulatory Assets.

Yours truly,

Peter H. O'Dell
Assistant Secretary

cc. Intervenors of record



RP-2004-0051
EB-2004-0037

IN THE MATTER OF the *Ontario Energy Board Act*, 1998,
S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by Guelph Hydro
Electric Systems Inc. for an order or orders approving or
fixing just and reasonable rates.

BEFORE: Bob Betts
Presiding Member

Paul Vlahos
Member

DECISION AND ORDER

On January 15, 2004 the Ontario Energy Board ("the Board") issued filing guidelines to all electricity distribution utilities for distribution rate adjustments related to the recovery of Regulatory Assets, to be effective March 1, 2004 and implemented on April 1, 2004.

The Applicant filed an application for such adjustment. Notice of the proceeding was published on February 5, 2004 in major newspapers in the province.

While the Board had originally intended to approve the disposal of RSVA amounts on a final basis, on analysis of the applications by distributors and the reporting of RSVA amounts in these applications, the Board has now determined that all rate changes should be interim. In the Board's view, it would be premature to set these rates final based on the quality of the data contained in many of the applications and the fact that the audit sampling process by the Board has not been completed.

The Board received some interventions in these proceedings, mainly concerned with Phase Two of the process. The only intervenor to make specific submissions on Phase One of the proceeding was the School Energy Coalition, ("SEC") who objected to any interim increase in rates over and above the RSVA amounts on the basis that appropriate

evidence had not been filed on these amounts. The Board is not convinced by SEC's arguments and sees no reason that Phase One cannot proceed. Phase One only contemplates partial recovery on an interim basis at this time. In Phase Two, the Board will review all applications to ensure that only prudent and reasonably incurred costs are recovered over the four year period mandated by the Minister.

In light of the above, the Board finds that it is in the public interest to order as follows.

THE BOARD ORDERS THAT:

- 1) The rate schedule attached is approved on an interim basis, effective March 1, 2004, to be implemented on April 1, 2004. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2004 implementation date, the new rates shall be implemented with the first billing cycle for electricity taken or considered to have been taken from April 1, 2004.
- 2) The Applicant shall notify its customers of the rate changes by including the brochure provided by the Board through a different process, no later than with the first customer bill reflecting the new rates, and provide to the Board samples of any other notices sent by the Applicant to its customers with respect to the rate changes. The Board expects the Applicant to provide notice to all customers about the rate changes, no later than with the first bill reflecting the new rates.

DATED at Toronto, March 11, 2004

ONTARIO ENERGY BOARD



Peter H. O'Dell
Assistant Secretary

Interim Rate Schedule
Guelph Hydro Electric Systems Inc
Schedule of Distribution Rates and Charges
 Effective Date: March 1, 2004
 Implementation Date: April 1, 2004

RF-2004-0051
 EB-2004-0037

RESIDENTIAL

Monthly Service Charge	(per month)	\$11.77
Distribution Volumetric Rate	(per kWh)	\$0.0175

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$9.62
Distribution Volumetric Rate	(per kWh)	\$0.0195

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$202.33
Distribution Volumetric Rate	(per kW)	\$2.9635

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$517.45
Distribution Volumetric Rate	(per kW)	\$2.3349

LARGE USE

Monthly Service Charge	(per month)	\$750.57
Distribution Volumetric Rate	(per kW)	\$2.2535

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$5.55
Distribution Volumetric Rate	(per kW)	\$5.4625

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.16
Distribution Volumetric Rate	(per kW)	\$1.3919

UNMETERED SCATTERED LOADS

Unmetered scattered loads will be billed as General Service < 50 kW. Accounts with multiple sites will be billed as one customer rather than treating each site as if it were a separate account. Accounts with single site will be billed on a per site (or per connection) basis.

Monthly Service Charge	(per connection or per customer)	\$9.62
Distribution Volumetric Rate	(per kWh)	\$0.0195

Ontario Energy
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26e étage
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Téléphone: (416) 481-1967
Télécopieur: (416) 440-7656



March 15, 2004

James Mackenzie
President & CEO
Wellington Electric Distribution Company Inc.
104 Dawson Road
Guelph ON
N1H 1A7

Dear Mr. Mackenzie:

**Re: Distribution Rate Application
Board Decision and Order and Interim Rate Schedule**

Attached is the Board's Decision and Order and Interim Rate Schedule with respect to your company's distribution rate application regarding the partial recovery of Regulatory Assets.

Yours truly,

Peter H. O'Dell
Assistant Secretary

cc. Intervenors of record

→ cc S. Schuster
P. Henderson
A. Bernisford
J. Gordon

main File 063 Rate File



RP-2004-0109
EB-2004-0095

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by Wellington
Electric Distribution Company Inc. for an order or orders
approving or fixing just and reasonable rates.

BEFORE: Bob Betts
Presiding Member

Paul Vlahos
Member

DECISION AND ORDER

On January 15, 2004 the Ontario Energy Board ("the Board") issued filing guidelines to all electricity distribution utilities for distribution rate adjustments related to the recovery of Regulatory Assets, to be effective March 1, 2004 and implemented on April 1, 2004.

The Applicant filed an application for such adjustment. Notice of the proceeding was published on February 5, 2004 in major newspapers in the province.

While the Board had originally intended to approve the disposal of RSVA amounts on a final basis, on analysis of the applications by distributors and the reporting of RSVA amounts in these applications, the Board has now determined that all rate changes should be interim. In the Board's view, it would be premature to set these rates final based on the quality of the data contained in many of the applications and the fact that the audit sampling process by the Board has not been completed.

The Board received some interventions in these proceedings, mainly concerned with Phase Two of the process. The only intervenor to make specific submissions on Phase One of the proceeding was the School Energy Coalition, ("SEC") who objected to any interim increase in rates over and above the RSVA amounts on the basis that appropriate

evidence had not been filed on these amounts. The Board is not convinced by SEC's arguments and sees no reason that Phase One cannot proceed. Phase One only contemplates partial recovery on an interim basis at this time. In Phase Two, the Board will review all applications to ensure that only prudent and reasonably incurred costs are recovered over the four year period mandated by the Minister.

In light of the above, the Board finds that it is in the public interest to order as follows.

THE BOARD ORDERS THAT:

- 1) The rate schedule attached is approved on an interim basis, effective March 1, 2004, to be implemented on April 1, 2004. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2004 implementation date, the new rates shall be implemented with the first billing cycle for electricity taken or considered to have been taken from April 1, 2004.
- 2) The Applicant shall notify its customers of the rate changes by including the brochure provided by the Board through a different process, no later than with the first customer bill reflecting the new rates, and provide to the Board samples of any other notices sent by the Applicant to its customers with respect to the rate changes. The Board expects the Applicant to provide notice to all customers about the rate changes, no later than with the first bill reflecting the new rates.

DATED at Toronto, March 15, 2004

ONTARIO ENERGY BOARD

A handwritten signature in black ink, appearing to read "P. O'Dell", written over a horizontal line.

Peter H. O'Dell
Assistant Secretary

Interim Rates
Wellington Electric Distribution System
Schedule of Changed Distribution Rates and Charges

Effective Date: March 1, 2004
Implementation Date: April 1, 2004

RP-2004-0109
EB-2004-0095

RESIDENTIAL

Monthly Service Charge	(per month)	\$11.72
Distribution Volumetric Rate	(per kWh)	\$0.0153

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$14.47
Distribution Volumetric Rate	(per kWh)	\$0.0191

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$231.43
Distribution Volumetric Rate	(per kW)	\$10.3799

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$1.02
Distribution Volumetric Rate	(per kW)	\$4.5525

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.44
Distribution Volumetric Rate	(per kW)	\$4.7206

Unmetered Scattered Loads

Billed at General Service < 50 kW rates

Monthly Service Charge	(per connection or customer)	\$14.47
Distribution Volumetric Rate	(per kWh)	\$0.0191

**APPENDIX: Guelph_BrdStaff_IRR_33_a_ii
Board Decisions**

2005 Rate Decision GHESI and WEDCO



RP-2005-0013
EB-2005-0033

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by **Guelph
Hydro Electric System Inc.** for an order or orders
approving or fixing just and reasonable rates.

BEFORE: Gordon Kaiser
Vice Chair and Presiding Member

Paul Vlahos
Member

Pamela Nowina
Member

DECISION AND ORDER

Background and Application

In November 2003 the Ontario government announced that it would permit local distribution companies to apply to the Board for the next installment of their allowable return on equity beginning March 1, 2005. The Government also indicated that the Board's approval would be conditional on a financial commitment to reinvest in conservation and demand management initiatives, an amount equal to one year's incremental returns.

Also in November 2003, the Government announced, in conjunction with the introduction of Bill 4, the *Ontario Energy Board Amendment Act, (Electricity Pricing), 2003*, that electricity distributors could start recovering Regulatory Assets in their rates, beginning March 1, 2004, over a four year period.

In February and March, 2004, the Board approved the applications of distributors to recover 25% of their December 31, 2002 Regulatory Asset balances (or additional amounts for rate stability) in their distribution rates on an interim basis effective March 1, 2004 and implemented on April 1, 2004.

On December 20, 2004 the Board issued filing guidelines to all electricity distribution utilities for the April 1, 2005 distribution rate adjustments. The guidelines allowed the applicants to recover three types of costs. These costs concern (i) the rate recovery of the third tranche of the allowable return on equity (Market Adjusted Revenue Requirement or "MARR"), (ii) the 2005 proxy allowance for payments in lieu of taxes ("PILs") and (iii) a second installment of the recovery of Regulatory Assets.

A generic Notice of the proceeding was published on January 25, 2005 in major newspapers in the province, which provided a 14 day period for submissions from interested parties. On February 4, 2005, the Board issued Procedural Order No. 1, providing for an extension for submissions until February 16, 2005 and also providing for reply submissions from applicants and other parties.

The Applicant filed an application for adjustments to their rates for the following amounts:

MARR: \$ 1,156,560

2005 PILs Proxy: \$ 3,215,619

Regulatory Assets Second Tranche: \$ 864,487

Submissions

The Board received one submission which addressed the 2005 rate setting process in general. This submission was made by School Energy Coalition (SEC). SEC objected to the guideline which caused the recovery of the 2005 PILs proxy to be reflected only on the variable charge. SEC was also concerned that monthly service charges and overall distribution charges varied significantly between utilities across the province. SEC also raised concerns regarding the consistency of, and access to, information on the applications as filed by the utilities.

Reply submissions to SEC's general submissions were received from the Coalition of Large Distributors, the Electricity Distributors Association, Hydro One Networks, and the LDC Coalition (a group of 7 distributors). These parties generally argued against the recommendations put forward by SEC, by and large indicating that the Board's existing processes for 2006 and 2007 have been planned to address these issues going forward and that these issues should not be added to the 2005 rates adjustment process.

The Applicant was not specifically named in any of these submissions.

The full record of the proceeding is available for review at the Board's offices.

Board Findings

The Board first addresses the general submission of SEC. While SEC raises important issues regarding electricity distribution rates, the Board has put in place a process which will address most of the issues raised by SEC on a comprehensive basis with coordinated cost of service, cost allocation and cost of capital studies for all distributors in 2006, 2007 and 2008. The Board does agree that unless there are compelling reasons to diverge from the Board's original filing guidelines for the 2005 distribution rate adjustment process, distributors should follow the guidelines in their applications.

The Board finds that the application conforms with earlier decisions of the Board (including approval for the Applicant's Conservation and Demand Management plan), directives and guidelines.

The Board will issue a separate decision on cost awards.

THE BOARD ORDERS THAT:

- 1) The rate schedule attached as Appendix "A" is approved effective March 1, 2005, to be implemented on April 1, 2005. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2005 implementation date, the new rates shall be implemented with the first billing cycle for electricity consumed or estimated to have been consumed after April 1, 2005.

- 2) The Applicant shall notify its customers of the rate changes, no later than with the first bill reflecting the new rates and include the brochure provided by the Board.

DATED at Toronto, March 18, 2005

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2005-0013
EB-2005-0033

March 18, 2005

ONTARIO ENERGY BOARD

Guelph Hydro Electric System Inc.
Schedule of Changed Distribution Rates and Charges

Effective Date: March 1, 2005
Implementation Date: April 1, 2005

RP-2005-0013

EB-2005-0033

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.74
Distribution Volumetric Rate	(per kWh)	\$0.0178

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$10.41
Distribution Volumetric Rate	(per kWh)	\$0.0199

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$218.98
Distribution Volumetric Rate	(per kW)	\$2.7683

GENERAL SERVICE > 50 KW (Time of Use)

Monthly Service Charge	(per month)	\$560.04
Distribution Volumetric Rate	(per kW)	\$2.1084

LARGE USE

Monthly Service Charge	(per month)	\$812.34
Distribution Volumetric Rate	(per kW)	\$1.9824

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$6.01
Distribution Volumetric Rate	(per kW)	\$5.7719

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.17
Distribution Volumetric Rate	(per kW)	\$1.1336

Unmetered Scattered Loads

Unmetered scattered loads will be billed as General Service < 50 kW. Accounts with multiple sites will be billed as one customer rather than treating each site as if it were a separate account. Accounts with single site will be billed on a per site (or per connection) basis.

Monthly Service Charge	(per connection or per customer)	\$10.41
Distribution Volumetric Rate	(per kWh)	\$0.0199

The rates on this schedule include an interim recovery of Regulatory Assets.



RP-2005-0013
EB-2005-0090

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an Application by
Wellington Electric Distribution Company for an
order or orders approving or fixing just and
reasonable rates.

BEFORE: Gordon Kaiser
Vice Chair and Presiding Member

Paul Vlahos
Member

Pamela Nowina
Member

DECISION AND ORDER

Background and Application

In November 2003 the Ontario government announced that it would permit local distribution companies to apply to the Board for the next installment of their allowable return on equity beginning March 1, 2005. The Government also indicated that the Board's approval would be conditional on a financial commitment to reinvest in conservation and demand management initiatives, an amount equal to one year's incremental returns.

Also in November 2003, the Government announced, in conjunction with the introduction of Bill 4, the *Ontario Energy Board Amendment Act, (Electricity Pricing), 2003*, that electricity distributors could start recovering Regulatory Assets in their rates, beginning March 1, 2004, over a four year period.

In February and March, 2004, the Board approved the applications of distributors to recover 25% of their December 31, 2002 Regulatory Asset balances (or additional amounts for rate stability) in their distribution rates on an interim basis effective March 1, 2004 and implemented on April 1, 2004.

On December 20, 2004 the Board issued filing guidelines to all electricity distribution utilities for the April 1, 2005 distribution rate adjustments. The guidelines allowed the applicants to recover three types of costs. These costs concern (i) the rate recovery of the third tranche of the allowable return on equity (Market Adjusted Revenue Requirement or "MARR"), (ii) the 2005 proxy allowance for payments in lieu of taxes ("PILs") and (iii) a second installment of the recovery of Regulatory Assets.

A generic Notice of the proceeding was published on January 25, 2005 in major newspapers in the province, which provided a 14 day period for submissions from interested parties. On February 4, 2005, the Board issued Procedural Order No. 1, providing for an extension for submissions until February 16, 2005 and also providing for reply submissions from applicants and other parties.

The Applicant filed an application dated January 17, 2005 and a revised application dated February 23, 2005 for adjustments to their rates for the following amounts:

MARR: \$ 23,723

2005 PILs Proxy: \$ 30,593

Regulatory Assets Second Tranche: \$ 22,600

Submissions

The Board received one submission which addressed the 2005 rate setting process in general. This submission was made by School Energy Coalition (SEC). SEC objected to the guideline which caused the recovery of the 2005 PILs proxy to be reflected only on the variable charge. SEC was also concerned that monthly service charges and overall distribution charges varied significantly between utilities across the province. SEC also raised concerns regarding the consistency of, and access to, information on the applications as filed by the utilities.

Reply submissions to SEC's general submissions were received from the Coalition of Large Distributors, the Electricity Distributors Association, Hydro One Networks, and the LDC Coalition (a group of 7 distributors). These parties generally argued against the recommendations put forward by SEC, by and large indicating that the Board's existing processes for 2006 and 2007 have been planned to address these issues going forward and that these issues should not be added to the 2005 rates adjustment process.

The Applicant was not specifically named in any of these submissions.

The full record of the proceeding is available for review at the Board's offices.

Board Findings

The Board first addresses the general submission of SEC. While SEC raises important issues regarding electricity distribution rates, the Board has put in place a process which will address most of the issues raised by SEC on a comprehensive basis with coordinated cost of service, cost allocation and cost of capital studies for all distributors in 2006, 2007 and 2008. The Board does agree that unless there are compelling reasons to diverge from the Board's original filing guidelines for the 2005 distribution rate adjustment process, distributors should follow the guidelines in their applications.

The Board finds that the application conforms with earlier decisions of the Board (including approval for the Applicant's Conservation and Demand Management plan), directives and guidelines.

The Board will issue a separate decision on cost awards.

THE BOARD ORDERS THAT:

- 1) The rate schedule attached as Appendix "A" is approved effective March 1, 2005, to be implemented on April 1, 2005. All other rates currently in effect that are not shown on the attached schedule remain in force. If the Applicant's billing system is not capable of prorating to accommodate the April 1, 2005 implementation date, the new rates shall be implemented with the first billing cycle for electricity consumed or estimated to have been consumed after April 1, 2005.

- 2) The Applicant shall notify its customers of the rate changes, no later than with the first bill reflecting the new rates and include the brochure provided by the Board.

DATED at Toronto, March 23, 2005

ONTARIO ENERGY BOARD

Peter H. O'Dell
Assistant Board Secretary

Appendix "A"

RP-2005-0013
EB-2005-0090

March 23, 2005

ONTARIO ENERGY BOARD

Wellington Electric Distribution Company
Schedule of Changed Distribution Rates and Charges

Effective Date: March 1, 2005

Implementation Date: April 1, 2005

RP-2005-0013

EB-2005-0090

RESIDENTIAL

Monthly Service Charge	(per month)	\$12.79
Distribution Volumetric Rate	(per kWh)	\$0.0131

GENERAL SERVICE < 50 KW

Monthly Service Charge	(per month)	\$15.79
Distribution Volumetric Rate	(per kWh)	\$0.0175

GENERAL SERVICE > 50 KW (Non Time of Use)

Monthly Service Charge	(per month)	\$252.56
Distribution Volumetric Rate	(per kW)	\$9.4468

SENTINEL LIGHTS (Non Time of Use)

Monthly Service Charge	(per connection)	\$1.11
Distribution Volumetric Rate	(per kW)	\$4.5480

STREET LIGHTING (Non Time of Use)

Monthly Service Charge	(per connection)	\$0.48
Distribution Volumetric Rate	(per kW)	\$3.8296

Unmetered Scattered Loads

Billed at General Service < 50 kW rates.

Monthly Service Charge	(per connection or customer)	\$15.79
Distribution Volumetric Rate	(per kWh)	\$0.0175

The rates on this schedule include an interim recovery of Regulatory Assets.