Ontario Energy Board Commission de l'énergie de l'Ontario



EB-2011-0319

**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 Espanola Regional Hydro Distribution Corporation for an order approving or fixing just and reasonable rates and other charges for the distribution of electricity to be effective May 1, 2012.

BEFORE: Ken Quesnelle Presiding Member

> Cathy Spoel Member

### RATE ORDER November 1, 2012

Espanola Regional Hydro Distribution Corporation ("ERHDC") filed a cost of service application with the Ontario Energy Board on February 15, 2012. The application was filed under section 78 of the *Ontario Energy Board Act, 1998* seeking approval for changes to the rates that Hydro 2000 charges for electricity distribution to be effective May 1, 2012.

The Board issued its Decision and Order on the application on September 27, 2012. The Board approved an effective date of May 1, 2012 and an implementation date of November 1, 2012. In the Decision, the Board ordered ERHDC to file a draft Rate Order reflecting the Board's findings in the Decision and Order.

ERHDC filed a draft Rate Order including a draft Tariff of Rates and Charges and supporting material on October 11, 2012. The Vulnerable Energy Consumers Coalition ("VECC") and Board staff filed comments on the draft Rate Order. ERHDC filed its response to the comments on October 19, 2012.

In its draft Rate Order, ERHDC provided two scenarios to address the rate mitigation issue, as directed by the Board in the Decision. In the first scenario, the recovery period for rate riders related to the Lost Revenue Adjustment Mechanism, Deferral and Variance Accounts, Smart Meters and Stranded Meters is extended to four years effective May 1, 2012. The Foregone Revenue rate riders would be deferred until May 1, 2013 with a one year recovery period. In the second scenario, the recovery period for rate riders related to the Lost Revenue Adjustment Mechanism and Deferral and Variance Accounts is extended to four years effective May 1, 2012 and the recovery period for rate riders related to the Lost Revenue Adjustment Mechanism and Deferral and Variance Accounts is extended to four years effective May 1, 2012 and the recovery period for the Foregone Revenue rate riders is extended to three and a half years commencing November 1, 2012. The recovery related to rate riders for Smart Meters and Stranded Meters would be deferred to May 1, 2013 with a one year recovery period.

In its comment on the draft Rate Order, VECC submitted that the second scenario would have a material impact on low volume customers in 2013/14 since the Smart Meter and Stranded Meter related costs would be recovered through the monthly charge in one year as opposed to four years. With the consideration of the bill impacts, VECC submitted that first scenario is the preferred approach for the residential class.

The Board notes that the first scenario is a reasonable approach and agrees with VECC that the first scenario would have less impact to low volume customers in 2013/14. The Board therefore accepts ERHDC's first scenario for the purpose of setting 2012 rates.

### THE BOARD ORDERS THAT:

 The Tariff of Rates and Charges for Espanola Regional Hydro Distribution Corporation set out in Appendix "A" of this Rate Order is approved effective May 1, 2012 and implemented on November 1, 2012 for electricity consumed or estimated to have been consumed on and after November 1, 2012. Espanola Regional Hydro Distribution Corporation shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

DATED at Toronto, November 1, 2012 ONTARIO ENERGY BOARD

Original signed by

John Pickernell Assistant Board Secretary

### APPENDIX A

### TO RATE ORDER

Espanola Regional Hydro Distribution Corporation

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# Espanola Regional Hydro Distribution Corporation TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012 Implementation Date November 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0319

### **RESIDENTIAL SERVICE CLASSIFICATION**

This classification refers to an account taking electricity at 750 volts or less where the electricity is used exclusively in a single family unit, non-commercial. This can be a separately metered living accommodation, town house, apartment, semi-detached, duplex, triplex or quadruplex with residential zoning. Further servicing details are available in the distributor's Conditions of Service

#### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

No rates and charges for the distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

#### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	13.59
Rate Rider for Recovery of Residual Historical Smart Meter Costs – effective until April 30, 2016	\$	1.12
Rate Rider for Recovery of Stranded Meter Assets – effective until April 30, 2016	\$	0.52
Distribution Volumetric Rate	\$/kWh	0.0164
Low Voltage Service Rate	\$/kWh	0.0037
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0004)
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2016	\$/kWh	0.0004
Rate Rider for Recovery of Lost Revenue Adjustment Mechanism (LRAM) – effective until April 30, 2016	\$/kWh	0.0012
Rate Rider for Recovery of Foregone Revenue – effective May 1, 2013 until April 30, 2014	\$/kWh	0.0050
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0056
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0041

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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## Espanola Regional Hydro Distribution Corporation TARIFF OF RATES AND CHARGES

### Effective Date May 1, 2012 Implementation Date November 1, 2012

# This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0319

### **GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION**

This classification refers to a non residential account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW. Further servicing details are available in the distributor's Conditions of Service

#### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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#### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	24.36
Rate Rider for Recovery of Residual Historical Smart Meter Costs – effective until April 30, 2016	\$	1.34
Rate Rider for Recovery of Stranded Meter Assets – effective until April 30, 2016	\$	0.68
Distribution Volumetric Rate	\$/kWh	0.0200
Low Voltage Service Rate	\$/kWh	0.0035
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2013		
Applicable only for Non-RPP Customers	\$/kWh	(0.0004)
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2016	\$/kWh	0.0004
Rate Rider for Recovery of Foregone Revenue – effective May 1, 2013 until April 30, 2014	\$/kWh	0.0050
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0037

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## Espanola Regional Hydro Distribution Corporation TARIFF OF RATES AND CHARGES

### Effective Date May 1, 2012 Implementation Date November 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0319

### GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This classification refers to a non residential account whose average peak demand is greater than, or is forecast to be greater than, 50 kW but less than 5,000 kW. Further servicing details are available in the distributor's Conditions of Service

#### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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#### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	189.75
Rate Rider for Recovery of Residual Historical Smart Meter Costs – effective until April 30, 2016	\$	2.75
Rate Rider for Recovery of Stranded Meter Assets – effective until April 30, 2016	\$	2.15
Distribution Volumetric Rate	\$/kW	3.6660
Low Voltage Service Rate	\$/kW	1.4840
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) – effective until April 30, 2013		
Applicable only for Non-RPP Customers	\$/kW	(0.1787)
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2016	\$/kW	0.1886
Rate Rider for Recovery of Foregone Revenue – effective May 1, 2013 until April 30, 2014	\$/kW	0.7997
Retail Transmission Rate – Network Service Rate	\$/kW	2.0890
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4334
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.3482
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.9855

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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# Espanola Regional Hydro Distribution Corporation TARIFF OF RATES AND CHARGES

### Effective Date May 1, 2012 Implementation Date November 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

EB-2011-0319

### UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/ documentation with regard to electrical demand/consumption of the proposed unmetered load. Further servicing details are available in the distributor's Conditions of Service

#### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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#### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge (per connection)	\$	11.84
Distribution Volumetric Rate	\$/kWh	0.0152
Low Voltage Service Rate	\$/kWh	0.0035
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2016	\$/kWh	0.0004
Rate Rider for Recovery of Foregone Revenue – effective May 1, 2013 until April 30, 2014	\$/kWh	0.0059
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0037

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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## Espanola Regional Hydro Distribution Corporation TARIFF OF RATES AND CHARGES

### Effective Date May 1, 2012 Implementation Date November 1, 2012

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### SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification applies to safety/security lighting with a Residential or General Service customer. This is typically exterior lighting, and unmetered. Consumption is estimated based on the equipment rating and estimated hours of use. Further servicing details are available in the distributor's Conditions of Service

#### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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#### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge (per connection) Distribution Volumetric Rate Low Voltage Service Rate Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2016 Rate Rider for Recovery of Foregone Revenue – effective May 1, 2013 until April 30, 2014 Retail Transmission Rate – Network Service Rate Retail Transmission Rate – Line and Transformation Connection Service Rate	\$ \$/kW \$/kW \$/kW \$/kW \$/kW	2.07 16.6708 1.0684 0.1314 4.3158 1.5835 1 1312
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1312

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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# Espanola Regional Hydro Distribution Corporation TARIFF OF RATES AND CHARGES

### Effective Date May 1, 2012 Implementation Date November 1, 2012

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### STREET LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB Street Lighting Load Shape Template. Further servicing details are available in the distributor's Conditions of Service

#### **APPLICATION**

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#### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge (per connection)	\$	1.92
Distribution Volumetric Rate	\$/kW	24.2280
Low Voltage Service Rate	\$/kW	1.0466
Rate Rider for Disposition of Deferral/Variance Account (2012) – effective until April 30, 2016	\$/kW	0.0665
Rate Rider for Recovery of Foregone Revenue – effective May 1, 2013 until April 30, 2014	\$/kW	6.1847
Retail Transmission Rate – Network Service Rate	\$/kW	1.5755
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1080

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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# Espanola Regional Hydro Distribution Corporation TARIFF OF RATES AND CHARGES

### Effective Date May 1, 2012 Implementation Date November 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

### microFIT GENERATOR SERVICE CLASSIFICATION

EB-2011-0319

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service

#### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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#### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge

\$ 5.25

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### Espanola Regional Hydro Distribution Corporation TARIFF OF RATES AND CHARGES Effective Date May 1, 2012

Implementation Date November 1, 2012

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### **ALLOWANCES**

EB-2011-0319

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

### SPECIFIC SERVICE CHARGES

#### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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Customer Administration		
Arrears certificate	\$	15.00
Account history	\$	15.00
Returned Cheque (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Disconnect/Reconnect Charges for non payment of account - At Meter During Regular Hours	\$	65.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Temporary service install & remove – overhead – no transformer	\$	500.00
Temporary service install & remove – underground – no transformer	\$	300.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35

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## Espanola Regional Hydro Distribution Corporation TARIFF OF RATES AND CHARGES

### Effective Date May 1, 2012 Implementation Date November 1, 2012

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

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## **RETAIL SERVICE CHARGES (if applicable)**

#### APPLICATION

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer Monthly Fixed Charge, per retailer Monthly Variable Charge, per customer, per retailer	\$ \$ \$/cust.	100.00 20.00 0.50
Distributor-consolidated billing monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail		
Settlement Code directly to retailers and customers, if not delivered electronically through the		
Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year		no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

### LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0687
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0587