



EB-2012-0339

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

By delegation, before: Theodore Antonopoulos

DECISION AND ORDER NOVEMBER 8, 2012

On July 30, 2012 Algoma Power Inc. ("Algoma Power") filed an application with the Ontario Energy Board under section 74 of the *Ontario Energy Board Act*, 1998 ("the Act") for a licence amendment granting an extension in relation to the mandated date for the implementation of time-of-use ("TOU") pricing rates for Regulated Price Plan ("RPP") customers.

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 of its regulated price plan 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 regulated price plan 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

Algoma Power requested its TOU pricing date be extended from June 2012 to December 2012 due to a delay in the migration of its customer information system ("CIS"). Algoma Power shares a common CIS with Grimsby Power Inc. and Westario Power Inc. that is hosted by Canadian Niagara Power Inc. ("CNPI"). Algoma Power stated that the change in schedule for the migration of the CIS was primarily due to repeated changes in the Smart Metering Entity's schedule for the implementation of Version R7.2 which consequently impacted CNPI's projected schedule for itself and its affiliated utilities. Algoma Power indicated that because of ongoing uncertainty with the R7.2 schedule CNPI considered it impractical to redirect its resources into commencing full-fledged CIS implementation at Algoma Power until TOU pricing was implemented at CNPI, Grimsby Power Inc. and Westario Power Inc.

The Notice of Application and Written Hearing for the application was issued on August 21, 2012, and dates were established for interrogatories and submissions on the application. On August 31, 2012 Board staff filed interrogatories on the application. On September 21, 2012 the applicant responded to these interrogatories providing more information regarding the delays and progress to date in implementing TOU pricing. On October 1, 2012 Board staff filed a submission on the application and stated that it had no issues with the request for extension.

In response to Board staff interrogatories, Algoma Power responded to why it applied for an extension to its mandated date after the previous extension had already expired. Algoma Power stated that after the delay in its schedule it was unable to predict with certainty what a realistic extension date would be. Algoma Power indicated that it decided the best course of action was to wait until TOU billing was implemented at the affiliated utilities, and reassess the timelines to determine a practical TOU billing date for Algoma Power. Algoma Power stated that the new timeline was established in July 2012, at which time the application for extension was prepared and submitted to the Board.

FINDINGS

I find the application should be granted. Algoma Power will be exempted from the requirement to apply TOU pricing under the Standard Supply Service Code until December 31, 2012. Algoma Power has generally been diligent in preparing for the implementation of TOU pricing. The reasons given in the application for missing the original date are credible and supported by the evidence filed with the application. The preparation for TOU pricing involves coordinating a shared CIS among the affiliated utilities. I accept Algoma Power's assertion that the appropriate course of action is to complete the implementation for the shared CIS for the significant majority of total meter population amongst CNPI and its affiliate companies before implementing the changes for Algoma Power, provided that no significant delay results.

I find that the delay encountered by Algoma Power in relation to the shared CIS to be an unanticipated circumstance sufficient to justify an extension to its mandated TOU pricing date. I expect that Algoma Power will continue to provide timely information to the Board regarding the implementation of TOU pricing to all its customers.

Ideally, applications for exemptions should be filed by such a date that would allow the Board sufficient time to process the application consistent with its standard timelines in order to issue a decision by the date on which the applicant would be otherwise out of compliance.

I accept Algoma's explanation in response to Board staff interrogatory a), that given the delay in its schedule it was unable to predict with certainty what a realistic extension date would be. I note that Algoma filed its exemption application in a timely fashion following the establishment of the updated CIS implementation schedule.

IT IS ORDERED THAT:

1. Algoma Power Inc.'s distribution licence ED-2009-0072, 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. The exemption will expire December 31, 2012.

DATED at Toronto, November 8, 2012

ONTARIO ENERGY BOARD

Original Signed By

Theodore Antonopoulos
Manager, Electricity Rates Applications