



EB-2012-0167

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 Thunder Bay Hydro Electricity Distribution Inc. for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2013.

BEFORE: Cynthia Chaplin
Presiding Member and Vice Chair

Ellen Fry
Member

DECISION AND ORDER

April 18, 2013

Thunder Bay Hydro Electricity Distribution Inc. ("Thunder Bay Hydro") filed an application with the Ontario Energy Board (the "Board") on November 9, 2012 under section 78 of the *Ontario Energy Board Act*, 1998, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that Thunder Bay Hydro charges for electricity distribution, to be effective May 1, 2013.

The Board issued a Notice of Application and Hearing on December 3, 2012. The School Energy Coalition ("SEC"), Energy Probe Research Foundation ("Energy Probe"), the Vulnerable Energy Consumers Coalition ("VECC") and the Association of Major Power Consumers in Ontario ("AMPCO") applied for and were granted intervenor status and cost eligibility.

Pursuant to the Board's procedural orders, Thunder Bay Hydro filed its interrogatory and supplemental interrogatory responses on February 22, 2013 and March 25, 2013 respectively. The intervenors and Thunder Bay Hydro (collectively, the "Parties") participated in a Settlement Conference convened on April 2, 2013 and reached a complete settlement on all matters. The Proposed Settlement Agreement ("Settlement Agreement") was filed on April 16, 2013 and is included as Appendix A to this Decision and Order.

The Board commends the Parties on achieving settlement of all matters. Having reviewed the Settlement Agreement, the Board accepts it in its entirety.

The Board wishes to remind the Parties that the individual elements of a settlement agreement do not create a precedent for the Board.

Parties to the Settlement Agreement agreed that the new rates should be effective May 1, 2013 with the stipulation that Thunder Bay Hydro be allowed to recover any forgone revenue ensuing from any delay in the issuance of the Rate Order. The Board will declare Thunder Bay Hydro's existing rates interim effective May 1, 2013.

The Board reminds Thunder Bay Hydro that the following matters are to be incorporated into the Tariff of Rates and Charges that is to accompany the draft Rate Order.

Rural or Remote Electricity Rate Protection Charge

On March 21, 2013, the Board issued a Decision with Reasons and Rate Order (EB-2013-0067) establishing that the Rural or Remote Electricity Rate Protection ("RRRP") used by rate regulated distributors to bill their customers shall be \$0.0012 per kilowatt hour effective May 1, 2013.

Wholesale Market Service Rate

On March 21, 2013, the Board issued a Decision with Reasons and Rate Order (EB-2013-0067) establishing that the Wholesale Market Service rate ("WMS rate") used by rate regulated distributors to bill their customers shall be \$0.0044 per kilowatt hour effective May 1, 2013.

Smart Metering Entity Charge

On March 28, 2013, the Board issued a Decision and Order (EB-2012-0100/EB-2012-0211) establishing a Smart Metering Entity charge of \$0.79 per month for Residential and General Service < 50kW customers for those distributors identified in the Board's annual *Yearbook of Electricity Distributors*. This charge will be in effect from May 1, 2013 to October 31, 2018.

A Rate Order will be issued after the steps set out below are completed.

THE BOARD ORDERS THAT:

1. The Board declares Thunder Bay Hydro's existing rates interim, effective May 1, 2013.
2. The oral hearing scheduled for April 25 and 26, 2013 is cancelled.
3. Thunder Bay Hydro shall file with the Board, and also send to intervenors, a draft Rate Order attaching a proposed Tariff of Rates and Charges reflecting the Board's findings in this Decision **by April 24, 2013**. The draft Rate Order shall also include customer rate impacts and detailed supporting information showing the calculation of the final rates including the Revenue Requirement Work Form in Microsoft Excel format.
4. Board staff and intervenors shall file any comments on the draft Rate Order with the Board and send to Thunder Bay Hydro by **April 29, 2013**.
5. Thunder Bay Hydro shall file with the Board and send to intervenors responses to any comments on its draft Rate Order by **May 2, 2013**.

Cost Awards

The Board may grant cost awards to eligible parties pursuant to its power under section 30 of the Ontario Energy Board Act, 1998. When determining the amount of the cost awards, the Board will apply the principles set out in section 5 of the Board's Practice

Direction on Cost Awards. The maximum hourly rates set out in the Board's Cost Awards Tariff will also be applied.

1. Intervenors shall file with the Board and send to Thunder Bay Hydro their respective cost claims within **7 days** from the date of issuance of the Rate Order.
2. Thunder Bay Hydro shall file with the Board and send to intervenors any objections to the claimed costs within **17 days** from the date of issuance of the Rate Order.
3. Intervenors shall file with the Board and send to Thunder Bay Hydro any responses to any objections for cost claims within **24 days** of the date of issuance of the Rate Order.
4. Thunder Bay Hydro shall pay the Board's costs incidental to this proceeding upon receipt of the Board's invoice.

All filings with the Board must quote the file number, EB-2012-0167, and be made through the Board's web portal at www.pes.ontarioenergyboard.ca/service/, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must be received by the Board by 4:45 p.m. on the stated date. Parties should use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.ontarioenergyboard.ca . If the web portal is not available, parties may e-mail their documents to the attention of the Board Secretary at BoardSec@ontarioenergyboard.ca . All other filings not filed via the Board's web portal should be filed in accordance with the Board's Practice Directions on Cost Awards.

DATED at Toronto, April 18, 2013

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Appendix A

To Decision and Order

Board File No: EB-2012-0167

DATED: April 18, 2013