



EB-2011-0093
EB-2011-0255
EB-2011-0258
EB-2011-0259

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
Renfrew Hydro Inc., Ottawa River Power Corporation, Hydro
2000 Inc., and Cooperative Hydro Embrun Inc., seeking
extensions to their mandated time-of-use pricing dates.

By delegation, before: Theodore Antonopoulos

DECISION AND ORDER

Renfrew Hydro Inc. ("Renfrew") filed an application dated April 1, 2011. Ottawa River Power Corporation ("Ottawa River") filed an application dated July 5, 2011 and Hydro 2000 Inc. ("Hydro 2000") and Cooperative Hydro Embrun Inc. ("Cooperative Embrun") filed separate applications dated July 7, 2011 (collectively "the applicants") with the Ontario Energy Board under section 74 of the *Ontario Energy Board Act, 1998* (the "Act") for licence amendments granting extensions in relation to the mandated date for the implementation of time-of-use ("TOU") pricing rates for Regulated Price Plan ("RPP") consumers. Renfrew's application was assigned file number EB-2011-0093, Ottawa River's application was assigned file number EB-2011-0255, Hydro 2000's application was assigned file number EB-2011-0259 and Cooperative Embrun's application was assigned file number EB-2011-0258. Due to the similar nature of the applications the Board has combined the applications into one proceeding pursuant to section 21(5) of the Act. This decision combines findings for all four of the subject applications.

BACKGROUND

Under cover of a letter to all Ontario electricity distributors dated August 4, 2010, the Ontario Energy Board provided its determination of mandatory dates by which each distributor must bill its RPP customers that have eligible TOU meters using TOU pricing. The Board's determination was made pursuant to sections 3.4 and 3.5 of the Standard Supply Service Code for Electricity Distributors, which requires TOU pricing for RPP consumers with eligible TOU meters, as of the mandatory date. Compliance with this Code is a condition of licence for nearly all licensed electricity distributors in Ontario.

THE APPLICATION

In its original application, Renfrew applied for an extension to its June 2011 TOU pricing date and requested a new date of October 2011. Renfrew stated the extension was necessary as a result of delays experienced implementing testing requirements for Advanced Metering Infrastructure ("AMI") integration with the customer information system. Renfrew also stated that it requested the extension to gain efficiencies by aligning with the October 2011 TOU pricing dates of Ottawa River, Hydro 2000 and Cooperative Embrun.

Following Renfrew's application, Ottawa River, Hydro 2000, and Cooperative Embrun each filed for an extension to their October 2011 mandated TOU pricing date and requested a new TOU pricing date of January 2012. The applicants each stated the extension is necessary to prepare a customer transition to TOU rates, as well as jointly upgrade their AMI system and complete testing with the Independent Electricity System Operator ("IESO") once the IESO completes its system upgrade expected in November 2011. On July 28, 2011 Renfrew filed an amendment to its application to align its requested TOU pricing date with that of the other applicants due to its existing partnership with the applicants during MDM/R integration.

The Board issued a Notice of Application for Renfrew's original application on April 13, 2011 and interrogatories and submissions on the application were invited. Board staff filed a submission on the application stating it had no issues with the request for extension. Renfrew did not reply to the submission.

On July 27, 2011, the Board issued a collective Notice of Application and Written Hearing for the Ottawa River, Hydro 2000 and Cooperative Embrun applications and

interrogatories and submissions on the applications were invited. The applicants responded to interrogatories filed by Board staff, providing more information about the delay and progress to date in implementing TOU pricing. Board staff filed a joint submission on all the applications stating it had no issues with the request for an extension. The applicants did not reply to the submission. No other parties filed interrogatories or submissions on the applications.

In the applications the distributors stated that significant customer distress is expected when customers are faced with larger bills resulting in part from a lack of experience in managing electricity consumption in a TOU environment. The applicants stated that a number of billing cycles was necessary to enable them to work with customers to adapt to the new billing reality. The applicants stated Ottawa River supplies Renfrew, Hydro 2000 and Cooperative Embrun with AMI services to collect customer's data and deliver it to the IESO for processing. The applicants stated that Ottawa River must upgrade its AMI system to version 7.5 to meet the requirements of Measurement Canada. This upgrade is to be coordinated in conjunction with Renfrew, Hydro 2000 and Cooperative Embrun and was planned for the July/August 2011 period. Once Renfrew, Hydro 2000 and Cooperative Embrun complete testing, the conversion of the AMI system could take place. In addition, the applicants stated that they would have to complete SIT and QT testing after the IESO completes their system upgrade to version 7.2 of their MDM/R system which is expected in November 2011.

In response to Board staff interrogatories, the applicants stated that the period of customer transition would be planned in conjunction with the AMI upgrade and the IESO retesting and if this customer transition period was not implemented it would not affect the requested TOU extension date. The applicants stated that due to having limited resources they would be unable to cut over to different versions of the AMI within a short period of time. The applicants also stated that the collaboration between the utilities began during the smart meter project and that the utilities share consultants, software and computer hardware.

BOARD FINDINGS

I find the applications should be granted as requested. The applicants' system upgrade and testing issues represent operational and technical barriers to implementing TOU pricing. I find that the difficulties and delays encountered to be extraordinary and unanticipated circumstances sufficient to justify an extension to the applicants'

mandated TOU pricing dates. The applicants will be exempted from the requirement to apply TOU pricing under the Standard Supply Service Code until January 31, 2012.

However, this finding should not be construed as acceptance that additional time is required to address customer transition to TOU rates. Extraordinary or unanticipated circumstances generally relate to operational or technical issues.

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

IT IS THEREFORE ORDERED THAT:

1. Renfrew Hydro Inc.'s distribution licence ED-2002-0577, specifically Schedule 3, List of Code Exemptions, is amended to include an exemption from the requirement to apply time-of-use pricing by a mandatory date under the Standard Supply Service Code for Electricity Distributors. This exemption will expire on January 31, 2012.
2. Ottawa River Power Corporation's distribution licence ED-2003-0033, specifically Schedule 3, List of Code Exemptions, is amended to include an exemption from the requirement to apply time-of-use pricing by a mandatory date under the Standard Supply Service Code for Electricity Distributors. This exemption will expire on January 31, 2012.
3. Hydro 2000 Inc.'s distribution licence ED-2002-0542, specifically Schedule 3, List of Code Exemptions, is amended to include an exemption from the requirement to apply time-of-use pricing by a mandatory date under the Standard Supply Service Code for Electricity Distributors. This exemption will expire on January 31, 2012.
4. Cooperative Hydro Embrun Inc.'s distribution licence ED-2002-0493, specifically Schedule 3, List of Code Exemptions, is amended to include an exemption from the requirement to apply time-of-use pricing by a mandatory date under the Standard Supply Service Code for Electricity Distributors. This exemption will expire on January 31, 2012.

DATED at Toronto, October 6, 2011

ONTARIO ENERGY BOARD

Original signed by

Theodore Antonopoulos
Manager, Electricity Rates