



EB-2013-0111

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 Atikokan Hydro
Inc. for an order approving just and reasonable rates and
other charges for electricity distribution to be effective May 1,
2014.

By Delegation, Before: Lynne Anderson

FINAL RATE ORDER

April 16, 2014

Atikokan Hydro Inc. (“Atikokan Hydro”) filed an application with the Ontario Energy Board (the “Board”) on October 9, 2013 under section 78 of the Act, seeking approval for changes to the rates that Atikokan Hydro charges for electricity distribution, effective May 1, 2014 (the “Application”).

In its Decision and Order issued on March 13, 2014, the Board noted that a transposition error had occurred in retail transmission rates for the General Service classes 50-4,999 kW that appear on the 2013 Tariff of Rates and Charges (“Tariff”). The Board ordered Atikokan Hydro to provide details on the number of customers, kilowatts and retail transmission service charges billed since May 1, 2013 to the applicable customers. The transposition error in the 2013 Tariff was the result of an error in the evidence filed by Atikokan Hydro in its 2013 IRM application. The 2014 Tariff was corrected, but the amounts billed to customers on the 2013 Tariff have not been adjusted.

Atikokan Hydro stated in a letter filed on March 18, 2014 that 17 GS 50 to 4,999 kW customers were over-charged \$18,030.45 and one GS 50 to 4,999 kW Interval Customer was under-charged \$2,138.24, leading to a net over-collection of \$15,892.21 by Atikokan Hydro from its customers. Atikokan Hydro requested that this error be corrected in its IRM 2015 proceeding.

However, in recognizing the interest in avoiding intergenerational equity concerns, and in order to address the overcharging of customers as expeditiously as possible, I have determined that this matter will be dealt with in the present application.

Whenever matters of potential adjustments to rates arise, a concern for the Board is whether the proposed remedy would constitute retroactive ratemaking. The underlying rationale for the rule against rate retroactivity is to provide rate certainty to customers and utilities, to be fair to both current and future customers, and to protect a utility's legitimate earnings from a subsequent adjustment.

Not all adjustments to rates automatically constitute retroactive ratemaking. As the Alberta Court of Appeal has noted, "simply because a ratemaking decision has an impact on a past rate does not mean it is an impermissible retroactive decision. The critical factor for determining whether the regulator is engaging in retroactive ratemaking is the parties' knowledge."¹ In this case, the proposed adjustment is to retail transmission rates, which all parties know are subject to adjustment through rate riders over time such that a distributor collects from its customers the sum of the transmission costs it has incurred. Since the associated additional revenues were the result of the incorrect RTS rate schedule, they also cannot be construed as legitimate over earnings.

Rule 43.02 of the Board's Rules of Practice and Procedure provides that the "Board may at any time, without notice or a hearing of any kind, correct a typographical error, error of calculation or similar error made in its orders or decisions." The Board has done this in numerous instances.²

¹ Atco Gas and Pipelines Ltd v. Alberta (Utilities Commission) 2014 (ABCA) 28

² See for example EB-2011-0174, where the Board corrected certain administrative errors in the approved Tariff of Rates and Charges, necessitating the issuance of a Corrected Rate Order (specifically, the Distribution Volumetric Rate for the Street Lighting Service classification was increased from \$8.5206/kW to \$8.5207/kW to correct a rounding error).

I find that this error falls under the Board's Rule 43.02 and that an adjustment to the amounts billed on the 2013 Tariff is appropriate. Accordingly, I find that Atikokan Hydro shall issue a refund to any customers overcharged as a result of this transposition error in the 2013 Tariff. This refund should take place after April 30, 2014 once the full amount overcharged is known.

In the case of the customer who was undercharged the amount currently at \$2,138.24, I find that this amount shall not be collected from the customer. While this amount is relatively insignificant to the utility, it could be more material to this single customer.

THE BOARD ORDERS THAT:

1. The 2014 Tariff of Rates and Charges set out in Appendix A of this Order is final, and will apply to electricity consumed or estimated to have been consumed on and after May 1, 2014. Atikokan Hydro shall notify its customers of the rate changes no later than the delivery of the first bill reflecting the new rates.
2. Atikokan Hydro shall pay the Board's costs incidental to this proceeding upon receipt of the Board's invoice.

DATED at Toronto, April 16, 2014

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

Appendix A
To Final Rate Order
Final Tariff of Rates and Charges
DATED: April 16, 2014

Atikokan Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2014

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

EB-2013-0111

RESIDENTIAL SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separate metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers. All customers are single-phase. 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. In addition, the charges in the MONTHLY RATES AND CHARGES - Regulatory Component of this schedule do not apply to a customer that is an embedded wholesale market participant.

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	\$	34.58
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until August 31, 2015	\$	0.48
Rate Rider for Disposition of Residual Incremental Historical Smart Meter Costs - effective until August 31, 2015	\$	2.79
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement - effective until the effective date of the next cost of service-based rate order	\$	1.06
Rate Rider for Recovery of Stranded Meter Assets - effective until August 31, 2015	\$	0.39
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0137
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2016	\$/kWh	0.0009
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) - effective until April 30, 2016		
Applicable only for Non-RPP Customers	\$/kWh	0.0004
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0064
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0038

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Atikokan Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2014

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EB-2013-0111

GENERAL SERVICE LESS THAN 50 KW SERVICE CLASSIFICATION

This classification applies to a non-residential account taking electricity at 750 volts or less whose average monthly maximum 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	\$	75.36
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until August 31, 2015	\$	0.78
Rate Rider for Disposition of Residual Incremental Historical Smart Meter Costs - effective until August 31, 2015	\$	3.21
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement - effective until the effective date of the next cost of service-based rate order	\$	1.39
Rate Rider for Recovery of Stranded Meter Assets - effective until August 31, 2015	\$	0.39
Rate Rider for Smart Metering Entity Charge - effective until October 31, 2018	\$	0.79
Distribution Volumetric Rate	\$/kWh	0.0095
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2016	\$/kWh	0.0007
Rate Rider for Disposition of Global Adjustment Sub-Account (2012) - effective until April 30, 2016		
Applicable only for Non-RPP Customers	\$/kWh	0.0004
Retail Transmission Rate - Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kWh	0.0033

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Atikokan Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective and Implementation Date May 1, 2014

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GENERAL SERVICE 50 TO 4,999 KW SERVICE CLASSIFICATION

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or 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	\$	557.28
Rate Rider for Disposition of Residual Historical Smart Meter Costs - effective until August 31, 2015	\$	3.80
Rate Rider for Disposition of Residual Incremental Historical Smart Meter Costs - effective until August 31, 2015	\$	6.12
Rate Rider for Recovery of Smart Meter Incremental Revenue Requirement - effective until the effective date of the next cost of service-based rate order	\$	3.71
Rate Rider for Recovery of Stranded Meter Assets - effective until August 31, 2015	\$	0.39
Distribution Volumetric Rate	\$/kW	2.2075
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2016	\$/kW	0.1984
Rider for Global Adjustment Sub-Account Disposition (2012) - effective until April 30, 2016		
Applicable only for Non-RPP Customers	\$/kW	0.1410
Retail Transmission Rate - Network Service Rate	\$/kW	2.3157
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.3121
Retail Transmission Rate - Network Service Rate - Interval Metered	\$/kW	2.4567
Retail Transmission Rate - Line and Transformation Connection Service Rate - Interval Metered	\$/kW	1.4501

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Atikokan Hydro Inc.

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STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, 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)	\$	12.08
Distribution Volumetric Rate	\$/kW	14.8903
Rate Rider for Disposition of Deferral/Variance Accounts (2012) - effective until April 30, 2016	\$/kW	1.4517
Rider for Global Adjustment Sub-Account Disposition (2012) - effective until April 30, 2016		
Applicable only for Non-RPP Customers	\$/kW	0.1329
Retail Transmission Rate - Network Service Rate	\$/kW	1.7465
Retail Transmission Rate - Line and Transformation Connection Service Rate	\$/kW	1.0142

MONTHLY RATES AND CHARGES - Regulatory Component

Wholesale Market Service Rate	\$/kWh	0.0044
Rural or Remote Electricity Rate Protection Charge (RRRP)	\$/kWh	0.0013
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Atikokan Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2014

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microFIT SERVICE CLASSIFICATION

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

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MONTHLY RATES AND CHARGES - Delivery Component

Service Charge	\$	5.40
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ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.29)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

SPECIFIC SERVICE CHARGES

APPLICATION

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No 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.

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Customer Administration

Returned cheque (plus bank charges)	\$	25.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	25.00
Special meter reads	\$	25.00

Non-Payment of Account

Late Payment – per month	%	1.50
Late Payment – per annum	%	19.56
Collection of account charge – no disconnection	\$	25.00
Disconnect/Reconnect at meter – during regular hours	\$	28.00
Disconnect/Reconnect at meter – after regular hours	\$	315.00
Disconnect/Reconnect at pole – during regular hours	\$	28.00
Disconnect/Reconnect at pole – after regular hours	\$	315.00
Specific Charge for Access to the Power Poles - \$/pole/year	\$	22.35

Atikokan Hydro Inc.

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RETAIL SERVICE CHARGES (if applicable)

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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	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	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	1.0778
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0671