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BY EMAIL

October 31, 2023

Ted Lyberogiannis
General Manager
Chapleau Public Utilities Corporation
110 Lorne Street
Chapleau, ON P0M 1K0
Ted.Lyberogiannis@HydroOne.com

Dear Mr. Lyberogiannis:

**Re: Chapleau Public Utilities Corporation
Request for Exemption – Ultra-low Overnight Price Plan
Ontario Energy Board File Number: EB-2023-0323**

This is in response to your letter dated October 6, 2023, in which you requested an exemption for Chapleau Public Utilities Corporation (CPUC) from the requirement to make the new ultra-low overnight (ULO) price plan available to eligible customers by November 1, 2023.

Your letter explains that an exemption is needed to allow for adequate time for a merger or acquisition of CPUC by another utility and the merging of CPUC customer billing into a customer information system (CIS) that is capable of providing the required ULO price plan functionality. It identifies a number of implementation challenges including that CPUC's CIS is "long-outdated" and would require major system updates, and that there is only one person who knows how to program system updates. The letter adds that it would "not be prudent" to incur ULO price plan implementation costs at this time, while the Township of Chapleau is looking at selling CPUC. Your letter asks the OEB to amend CPUC's distribution licence to exempt it from the provisions of the Standard Supply Service Code requiring implementation of the ULO price plan.

At CPUC's request, its distribution system is currently being operated by Hydro One Networks Inc. (Hydro One) as interim licensee further to a Decision and Order¹ dated May 23, 2023, to ensure safe and reliable service to the Township of Chapleau in light of CPUC's financial and other challenges. Hydro One's interim licence is due to expire

¹ EB-2023-0144

on November 23, 2023, and Hydro One has applied for an extension to allow additional time to negotiate a sale transaction of CPUC with the Town of Chapleau, and for any subsequent regulatory approvals.² CPUC's own distribution licence is due to expire on December 17, 2023.

The OEB acknowledges that it is not operationally feasible for the ULO price plan to be made available in the CPUC service area by the November 1, 2023 deadline. Given the current situation and licensing status for that service area as described above, a formal licence amendment providing an exemption from the obligation to provide the ULO price plan is not being made at this time but may be considered at a later date if circumstances warrant. In the meantime, OEB staff does not intend to initiate or recommend compliance action to enforce the November 1, 2023 deadline while CPUC's financial, operational and ownership status remains unresolved.

If you have any questions please contact Raveen Gunaratnarajah, at 437-880-4360 or Raveen.Gunaratnarajah@oeb.ca.

Yours truly,

Brian Hewson
Vice-President, Consumer Protection & Industry Performance

c: Kathleen Burke, Hydro One Networks Inc. (Kathleen.Burke@HydroOne.com)
Operations.puc@chapleau.ca

² EB-2023-0320