



EB-2008-0155

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 Chatham-
Kent Distribution Inc. and Middlesex Power Distribution
Corporation for an order approving the recovery of smart
meter costs.

BEFORE: Paul Vlahos
Presiding Member

Paul Sommerville
Member

DECISION AND ORDER

November 25, 2008

BACKGROUND

The Ontario Energy Board received an application (the “Application”) on July 11, 2008 under section 78 of the *Ontario Energy Board Act, 1998*, relating to the recovery of smart meter costs incurred or to be incurred by each of Chatham-Kent Hydro Inc. (“CKH”) and Middlesex Power Distribution Corporation (“MPDC”) (jointly, the “Applicants”). The Board has assigned the Application file number EB-2008-0155.

The Applicants are authorized by regulation to undertake smart meter activities. The Applicants incurred costs for smart meter activities from January 1, 2006 to April 30, 2007 that were reviewed and approved in a combined hearing conducted in 2007 by the Board on August 8, 2007 in proceeding EB-2007-0063 (the “Combined Smart Meter Proceeding”).

For distribution rates effective May 1, 2008, the Board approved for each Applicant a permanent rate adder (now referred to by the Board as a “disposition rider”) to recover in rates approved costs related to smart meter installations to April 30, 2007 and a smart meter rate adder (now referred to by the Board as a “funding adder”) to provide funding for smart meter installations subsequent to that date. The disposition rider and funding adder are currently embedded in the monthly service charges for all metered customers.

The Applicants have now applied to recognize the smart meter costs that each has incurred from May 1 to December 31, 2007 as fixed assets for rate-setting purposes, and have each proposed a new disposition rider to allow them to recover costs related to smart meters installed during this period. The Applicants have also applied for a new funding adder in relation to smart meter activities being undertaken in 2008. The Applicants proposed that the new disposition rider and the new funding adder come into effect on November 1, 2008. The Applicants have also sought approval for new disposition riders that would come into effect on May 1, 2009.

The following table documents the disposition riders and funding adders currently approved by the Board and the ones now proposed by each of CKH and MPDC as part of the Application:

**Table 1
Existing and Proposed Smart Meter Disposition Riders and Funding Adders**

Label	Description	Current Board Approved	November 1, 2008 (Proposed)	May 1, 2009 (Proposed)
Chatham-Kent Hydro				
Permanent Smart Meter Rate Adder / Disposition Rider	Recovers the revenue requirement in the 2008 year for "minimum functionality" smart meter costs for smart meters installed to April 30, 2007 approved in the Combined Smart Meter Proceeding.	\$1.33	Remains at \$1.33 (not affected by the Application)	Remains at \$1.33 (not Affected by the application)
Disposition Rider	Recovers the revenue requirement in the rate year for "minimum functionality" costs for smart meters installed from May 1 to December 31, 2007. The review and approval of these costs form part of this Application.		\$0.55	\$0.78
Funding Adder	Funding adder to help fund ongoing smart meter activities for smart meters installed from January 1, 2008 onwards. The recovery of costs related to smart meters installed from January 1, 2008 is not the subject of this proceeding.	\$1.09	\$0.54	Remains at \$0.54 (no change from adder proposed for November 1, 2008)
Middlesex Power Distribution Corporation				
Permanent Smart Meter Rate Adder / Disposition Rider	Recovers the revenue requirement in the 2008 year for the "minimum functionality" smart meter costs for smart meters installed to April 30, 2007 approved in the Combined Smart Meter Proceeding.	\$1.23	Remains at \$1.23 (not affected by the Application)	Remains at \$1.23 (not affected by the Application)
Disposition Rider	Recovers the revenue requirement in the rate year for "minimum functionality" costs for smart meters installed from May 1 to December 31, 2007. The review and approval of these costs form part of this Application.		\$0.09	\$0.77
Funding Adder	Funding adder to help fund ongoing smart meter activities for smart meters installed from January 1, 2008 onwards. The recovery of costs related to smart meters installed from January 1, 2008 is not the subject of this proceeding.	\$1.35	\$1.26	Remains at \$1.26 (no change from adder proposed for November 1, 2008)

The Applicants also sought approval for accounting adjustments to partially dispose of approved smart meter cost balances in the deferral/variance accounts established for that purpose and to recognize these costs, for rate setting purposes, in rate base. The proposed accounting changes are documented in Appendices D1 and D2 of the Application.

The full public record is available at the Board's offices. The Board has chosen to summarize the record to the extent necessary to provide context for its findings.

THE PROCEEDING

The Board issued a Notice of Application and Hearing on August 5, 2008. No person intervened in this proceeding, and the Board proceeded by way of a written hearing.

In accordance with the process and timelines set out in the Notice of Application and Hearing, interrogatories and written submissions were filed by Board staff, and interrogatory responses and reply submissions were filed by the Applicants.

1. CONFIDENTIALITY

The Applicants requested that certain portions of the Application be treated in confidence by the Board, and filed a redacted non-confidential version of the Application.

The request for confidential treatment covered certain information pertaining to the Combined Smart Meter Proceeding as well as detailed information pertaining to the Applicants' smart meter costs.

In response to a Board staff interrogatory, the Applicants confirmed that information in the nature of quotations from and references to the transcript and Decision with Reasons in the Combined Smart Meter Proceeding were available from the public record of that Proceeding. The Applicants filed a revised redacted version of the Application which showed that information.

Board Findings

The Board notes that the detailed smart meter cost information for which confidentiality is claimed by the Applicants is similar in nature and detail to that for which the Board accepted claims of confidentiality in the Combined Smart Meter Proceeding and in subsequent applications relating to smart meter cost recovery. As such, the Board accepts the claim for confidentiality in relation to that information. The Board therefore accepts the revised redacted version of the Application and will not require that the detailed smart meter cost information be placed on the public record.

2. COSTS FOR SMART METERS INSTALLED FROM MAY 1 TO DECEMBER 31, 2007

The Applicants are seeking approval to recover costs incurred in relation to smart meters deployed between May 1 and December 31, 2007. The costs include capital investments for smart meters installed and associated operating expenses. The Applicants provided cost information in the same manner as was filed by the Applicants and other distributors in the Combined Smart Meter Proceeding. The Applicants also provided a comparison against the costs reviewed and approved in that proceeding, as well as explanations for any variances.

Board staff identified, in interrogatories and written submissions, an issue relating to whether or not the costs sought to be recovered by the Applicants relate to functionality that exceeds the minimum functionality adopted in O. Reg. 425/06, *Criteria and Requirements for Meters and Metering Equipment, Systems and Technology*. In their reply submission, the Applicants stated that the Application does not cover costs for functionality that exceeds that minimum functionality, and that any such costs continue to be tracked in the appropriate deferral/variance account for future disposition at a later date.

Board Findings

The Board is satisfied that the costs that the Applicants seek to recover in this proceeding in relation to smart meters installed from May 1 to December 31, 2007 do not relate to functionality that exceeds the minimum functionality adopted in O. Reg. 425/06. Insofar as these costs relate to the implementation of a firm and unequivocal policy of the government, the Board also finds that those costs were prudently incurred. The Board notes that the meters were procured under the same agreement as was reviewed in the Combined Smart Meter Proceeding. The Board also notes that the

costs per installed meter over this period are consistent with the per meter costs previously reviewed and approved by the Board in that Proceeding, and that the Applicants have provided reasonable explanations for any variances. The Board therefore approves those costs and also approves, effective November 1, 2008, the disposition riders and the updated funding adders proposed by the Applicants and documented in Table 1.

The Board therefore also approves the accounting changes as proposed by the Applicants in the Application to recognize the approved smart meter costs in rate base and to partially dispose of the related balances in the established deferral and variance accounts.

CKH's current Board-approved funding adder and disposition rider total to \$2.42. The Board notes that the proposed new funding adder and disposition rider that the Board is now approving also sum to \$2.42. Similarly, for MPDC, the Board's approval of the proposed new funding adder and disposition rider will not change the total increment on the monthly service charge of metered customers, which remains at \$2.58. Accordingly, approval of this part of the Application will not affect the rates payable by the Applicants' ratepayers at this time.

Attached to this Decision and Order are updated Tariffs of Rates and Charges for each of CKH and MPDC. The approved disposition riders are shown separately from the monthly service charges, while the approved funding adders are embedded in the applicable rates. The Tariffs are effective November 1, 2008.

3. MAY 1, 2009 SMART METER FUNDING ADDERS AND DISPOSITION RIDERS

In the Application, the Applicants also requested approval of smart meter disposition riders of \$0.78 per month for CKH and \$0.77 per month for MPDC to take effect May 1, 2009 for the 2009 rate year. These May 1, 2009 disposition riders are intended to recover the revenue requirement, for the 2009 rate year, related to costs for smart meters installed from May 1 to December 31, 2007. In letters filed October 22, 2008 and October 27, 2008, the Applicants clarified that these disposition riders would

replace, effective May 1, 2009, those that they have applied for effective November 1, 2008. As shown in Table 1, the current disposition riders of \$1.33 for CKH and \$1.23 for MPDC would remain in effect until each Applicant rebases its rates in a cost of service proceeding. The funding adders proposed in the Application would also remain unchanged for each Applicant for 2009 distribution rates.

In written submissions, Board staff expressed concern over the fact that the Applicants used 2006 cost of capital parameters rather than current information in calculating the May 1, 2009 disposition riders, and also noted concern regarding the formulae used in the derivation of the May 1, 2009 disposition riders. In their reply submission, the Applicants noted that the outcome would not be materially different were Board staff's approach to the calculation of the disposition riders to be used.

Board Findings

The Board notes that, if approved, the May 1, 2009 disposition riders would increase the Applicants' respective monthly charges for metered ratepayers by \$0.23 in the case of CKH and by \$0.68 in the case of MPDC.

In the interest of regulatory efficiency, the Board sees merit in considering the Applicants' request for approval of the disposition riders to come into effect on May 1, 2009. The Board is satisfied that the record relating to this element of the Application is complete for purposes of enabling the Board to make a determination in relation to the request, and notes that the proposed May 1, 2009 disposition riders pertain to the actual and audited costs for smart meters installed to December 31, 2007. The Board is also satisfied that the Applicants' calculation of the revenue requirement for the rate period is not inappropriate, and that calculation of the revenue requirement based on the approach suggested by Board staff would not result in a materially different outcome. The Board also notes that each of the Applicants will have costs for smart meter installations in 2008 and beyond, as well as offsetting revenues from the funding adders, and that these costs and revenues will continue to be tracked in the existing deferral/variance accounts until reviewed at a later date. As such, the Board is satisfied that the risk of significant over- or under-recovery of smart meter costs is minimal.

The Board therefore approves the May 1, 2009 disposition riders as proposed by the Applicants, effective from May 1, 2009 until such time as the rates of the Applicants are rebased. These new disposition riders are also reflected in the Tariffs of Rates and Charges that are appended to this Decision and Order.

THE BOARD THEREFORE ORDERS THAT:

1. The Tariff of Rates and Charges set out in Appendix A is approved, effective November 1, 2008, for Chatham-Kent Hydro Inc. and supersedes all previous distribution rate schedules approved by the Ontario Energy Board for Chatham-Kent Hydro Inc..
2. The Tariff of Rates and Charges set out in Appendix B is approved, effective November 1, 2008, for Middlesex Power Distribution Corporation and supersedes all previous distribution rate schedules approved by the Ontario Energy Board for Middlesex Power Distribution Corporation .

DATED at Toronto, November 26, 2008.

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Appendix "A"

To Decision and Order

EB-2008-0155

November 26, 2008

Chatham-Kent Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective November 1, 2008

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

EB-2008-0155

APPLICATION

- The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Codes, Guidelines or Orders 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, Guideline or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.
- This schedule does not contain any rates and charges relating to the electricity commodity (e.g. the Regulated Price Plan).

EFFECTIVE DATES

DISTRIBUTION RATES – May 1, 2008 for all consumption or deemed consumption services used on or after that date.

SPECIFIC SERVICE CHARGES – May 1, 2008 for all charges incurred by customers on or after that date.

RETAIL SERVICE CHARGES – May 1, 2008 for all charges incurred by retailers or customers on or after that date.

LOSS FACTOR ADJUSTMENT – May 1, 2008 unless the distributor is not capable of prorating changed loss factors jointly with distribution rates. In that case, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

SERVICE CLASSIFICATIONS

Residential

This classification applies to an account taking electricity at 750 volts or less and includes:

- 1) All services supplied to single-family dwelling units for domestic or household purposes,
- 2) All multi-unit residential establishments such as apartments of 6 or less units.
- 3) If a service supplies a combination of residential and commercial load and wiring does not permit separate metering, the classification of this customer will be determined individually by the distributor.

General Service Less Than 50 kW

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 and includes multi-unit residential establishments such as apartment buildings supplied through one service (bulk-metered).

General Service 50 to 4,999 kW

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. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply:

General Service 50 to 4,999 kW non-interval metered

General Service 50 to 4,999 kW interval metered

General Service 50 to 4,999 kW – Time of use

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 50 kW but less than 4,999 kW and received Time of Use pricing prior to rate unbundling and market opening.

Large Use

This classification applies to an account whose average monthly maximum demand used for billing purposes over the most recent 12 consecutive months is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW.

Unmetered Scattered Load

This classification applies to an 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 and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption.

Standby Power

This classification refers to an account that has Load Displacement Generation and requires the distributor to provide back-up service.

Sentinel Lighting

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light.

Street Lighting

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.

Chatham-Kent Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective November 1, 2008

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

EB-2008-0155

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	12.30
Smart Meter Disposition Rider 1 – effective until April 30, 2009	\$	0.55
Smart Meter Disposition Rider 2 – effective until April 30, 2010	\$	1.33
Smart Meter Disposition Rider 3 – effective from May 1, 2009 until April 30, 2010	\$	0.78
Distribution Volumetric Rate	\$/kWh	0.0139
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0043
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0039
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service Less Than 50 kW

Service Charge	\$	30.94
Smart Meter Disposition Rider 1 – effective until April 30, 2009	\$	0.55
Smart Meter Disposition Rider 2 – effective until April 30, 2010	\$	1.33
Smart Meter Disposition Rider 3 – effective from May 1, 2009 until April 30, 2010	\$	0.78
Distribution Volumetric Rate	\$/kWh	0.0092
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0039
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0035
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service 50 to 4,999 kW

Service Charge	\$	159.01
Smart Meter Disposition Rider 1 – effective until April 30, 2009	\$	0.55
Smart Meter Disposition Rider 2 – effective until April 30, 2010	\$	1.33
Smart Meter Disposition Rider 3 – effective from May 1, 2009 until April 30, 2010	\$	0.78
Distribution Volumetric Rate	\$/kW	1.5682
Retail Transmission Rate – Network Service Rate	\$/kW	1.5921
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3797
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	1.6965
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.5111
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service 50 to 4,999 kW – Time of Use by Service Area

Blenheim

Service Charge	\$	2802.43
Smart Meter Disposition Rider 1 – effective until April 30, 2009	\$	0.55
Smart Meter Disposition Rider 2 – effective until April 30, 2010	\$	1.33
Smart Meter Disposition Rider 3 – effective from May 1, 2009 until April 30, 2010	\$	0.78
Distribution Volumetric Rate	\$/kW	1.7452
Retail Transmission Rate – Network Service Rate	\$/kW	1.6965
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5111
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Chatham-Kent Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective November 1, 2008

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

EB-2008-0155

Chatham

Service Charge	\$	4,694.98
Smart Meter Disposition Rider 1 – effective until April 30, 2009	\$	0.55
Smart Meter Disposition Rider 2 – effective until April 30, 2010	\$	1.33
Smart Meter Disposition Rider 3 – effective from May 1, 2009 until April 30, 2010	\$	0.78
Distribution Volumetric Rate	\$/kW	2.3570
Retail Transmission Rate – Network Service Rate	\$/kW	1.6965
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5111
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Large Use

Service Charge	\$	\$12,916.52
Smart Meter Disposition Rider 1 – effective until April 30, 2009	\$	0.55
Smart Meter Disposition Rider 2 – effective until April 30, 2010	\$	1.33
Smart Meter Disposition Rider 3 – effective from May 1, 2009 until April 30, 2010	\$	0.78
Distribution Volumetric Rate	\$/kW	3.0289
Retail Transmission Rate – Network Service Rate	\$/kW	1.8705
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7301
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Unmetered Scattered Load

Service Charge (per connection)	\$	3.29
Distribution Volumetric Rate	\$/kWh	0.0054
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0039
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0035
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Standby Power – APPROVED ON AN INTERIM BASIS

Standby Charge – for a month where standby power is not provided. The charge is applied to the contracted amount (e.g. nameplate rating of generation facility).	\$/kW	1.3540
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Sentinel Lighting

Service Charge (per connection)	\$	3.87
Distribution Volumetric Rate	\$/kW	2.9888
Retail Transmission Rate – Network Service Rate	\$/kW	1.2093
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.0877
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Street Lighting

Service Charge (per connection)	\$	0.47
Distribution Volumetric Rate	\$/kW	3.1045
Retail Transmission Rate – Network Service Rate	\$/kW	1.2006
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.0658
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Chatham-Kent Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective November 1, 2008

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EB-2008-0155

Specific Service Charges

Customer Administration		
Arrears certificate	\$	15.00
Statement of Account	\$	15.00
Easement letter	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Non-Payment of Account		
Late Payment – per month	%	1.50
Late Payment – per annum	%	19.56
Disconnect/Reconnect Charge – At Meter During Regular Hours	\$	65.00
Temporary service install & remove – overhead – no transformer	\$	500.00
Temporary service install & remove – overhead – with transformer	\$	1,000.00
Specific charge for access to the power poles – per pole/year	\$	22.35
Switching for company maintenance – Charge based on Time and Materials	\$	
Allowances		
Transformer Allowance for Ownership – per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses - applied to measured demand and energy	%	(1.00)

Retail Service Charges (if applicable)

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 charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing 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

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0470
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0369
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0365
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0266

Appendix "B"

To Decision and Order

EB-2008-0155

November 26, 2008

Middlesex Power Distribution Corp.

TARIFF OF RATES AND CHARGES

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EB-2008-0155

APPLICATION

- The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Codes, Guidelines or Orders 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, Guideline or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.
- This schedule does not contain any rates and charges relating to the electricity commodity (e.g. the Regulated Price Plan).

EFFECTIVE DATES

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RETAIL SERVICE CHARGES – May 1, 2008 for all charges incurred by retailers or customers on or after that date.

LOSS FACTOR ADJUSTMENT – May 1, 2008 unless the distributor is not capable of prorating changed loss factors jointly with distribution rates. In that case, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

SERVICE CLASSIFICATIONS

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All multi-unit residential establishments such as apartments of 6 or less units.

If a service supplies a combination of residential and commercial load and wiring does not permit separate metering, the classification of this customer will be determined individually by the distributor.

General Service Less Than 50 kW

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 and includes multi-unit residential establishments such as apartment buildings supplied through one service (bulk-metered).

General Service 50 to 4,999 kW

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. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply:

General Service 50 to 5,000 kW non-interval metered

General Service 50 to 5,000 kW interval metered

Large Use

This classification applies to an account whose average monthly maximum demand used for billing purposes over the most recent 12 consecutive months is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW.

Unmetered Scattered Load

This classification applies to an 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 and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption.

Sentinel Lighting

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light.

Street Lighting

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.

Middlesex Power Distribution Corp.

TARIFF OF RATES AND CHARGES

Effective November 1, 2008

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

EB-2008-0155

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	15.72
Smart Meter Disposition Rider 1 – effective until April 30, 2009	\$	0.09
Smart Meter Disposition Rider 2 – effective until April 30, 2010	\$	1.23
Smart Meter Disposition Rider 3 – effective from May 1, 2009 until April 30, 2010	\$	0.77
Distribution Volumetric Rate	\$/kWh	0.0149
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0045
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service Less Than 50 kW

Service Charge	\$	20.37
Smart Meter Disposition Rider 1 – effective until April 30, 2009	\$	0.09
Smart Meter Disposition Rider 2 – effective until April 30, 2010	\$	1.23
Smart Meter Disposition Rider 3 – effective from May 1, 2009 until April 30, 2010	\$	0.77
Distribution Volumetric Rate	\$/kWh	0.0052
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0041
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0038
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

General Service 50 to 4,999 kW

Service Charge	\$	46.91
Smart Meter Disposition Rider 1 – effective until April 30, 2009	\$	0.09
Smart Meter Disposition Rider 2 – effective until April 30, 2010	\$	1.23
Smart Meter Disposition Rider 3 – effective from May 1, 2009 until April 30, 2010	\$	0.77
Distribution Volumetric Rate	\$/kW	1.6185
Retail Transmission Rate – Network Service Rate	\$/kW	1.6523
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5218
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	1.8343
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.7133
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Large Use

Service Charge	\$	3,855.94
Smart Meter Disposition Rider 1 – effective until April 30, 2009	\$	0.09
Smart Meter Disposition Rider 2 – effective until April 30, 2010	\$	1.23
Smart Meter Disposition Rider 3 – effective from May 1, 2009 until April 30, 2010	\$	0.77
Distribution Volumetric Rate	\$/kW	0.1922
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	1.9431
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.9078
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Unmetered Scattered Load

Service Charge (per connection)	\$	9.56
Distribution Volumetric Rate	\$/kWh	0.0057
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0041
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0038
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Middlesex Power Distribution Corp.

TARIFF OF RATES AND CHARGES

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Sentinel Lighting

Service Charge (per connection)	\$	0.19
Distribution Volumetric Rate	\$/kW	1.1233
Retail Transmission Rate – Network Service Rate	\$/kW	1.2524
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2011
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Street Lighting

Service Charge (per connection)	\$	0.15
Distribution Volumetric Rate	\$/kW	0.6906
Retail Transmission Rate – Network Service Rate	\$/kW	1.2459
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1765
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Specific Service Charges

Customer Administration		
Arrears certificate	\$	15.00
Easement letter	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Disconnect/Reconnect Charge - At Meter During Regular Hours	\$	65.00
Temporary service install & remove – overhead – no transformer	\$	500.00
Specific charge for access to the power poles – per pole/year	\$	22.35
Switching for company maintenance – Charge based on Time and Materials	\$	
Allowances		
Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

Retail Service Charges (if applicable)

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 charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing 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

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LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0608
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0501
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045