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NOTIFICATION OF REVISION

REVISION TO THE REGULATED PRICE PLAN MANUAL

BOARD FILE NO.: RP-2004-0205

**To: All Licensed Electricity Distributors
All Licensed Electricity Retailers
All Participants in Proceeding RP-2004-0205**

RE: Notification of Revision to RPP Manual: Clarification of “Holiday” for RPP Time-of-Use Pricing

It has recently been brought to the attention of the Ontario Energy Board (the “Board”) that there is some confusion associated with the days that should be treated as “holidays” for the purpose of the Regulated Price Plan (the “RPP”). This issue arises within the context of applying time-of-use or “smart meter” prices to RPP consumers.

Specifically, on days that are “holidays”, “off-peak” prices (currently 2.9 cents/ kWh) apply for the entire day (i.e., 24 hours). The same is true for weekends. On weekdays, however, certain periods of the day are subject to “mid-peak” and “on-peak” prices that are about two to three times higher than the “off-peak” prices (at 6.5 cents/kWh and 9.3 cents/kWh, respectively).

It was the Board’s intention to include as a “holiday” for smart meter pricing purposes those days that a majority of Ontarians are absent from work. It is on these days that the demand for electricity is consistently much lower than on a “normal” weekday. In the Board’s Regulated Price Plan Manual dated March 11, 2005 (the “RPP Manual”), the term “holiday” was defined in footnote 11 on page 27 as follows:

“¹¹ For this purpose, a “holiday” includes all days identified as such in the Interpretation Act, except Easter Monday and Remembrance Day. These include New Year’s Day, Good Friday, Christmas Day, Victoria Day, Canada Day, Labour Day, Thanksgiving Day, and any day appointed by proclamation of the Governor General or the Lieutenant Governor as a public holiday. When any holiday falls on a Sunday, the day next following is in lieu thereof a holiday.”

Confusion surrounding the days that are (or are not) to be treated as “holidays” for RPP purposes may lead to the inconsistent application of smart meter RPP prices by

electricity distributors or retailers that are billing RPP consumers using retailer-consolidated billing. The Board is therefore revising the RPP Manual by removing the above footnote. In its place, the following has been included in the body of the RPP Manual on page 27:

“For the purpose of RPP time-of-use pricing, a “holiday” means: New Year’s Day, Good Friday, Christmas Day, Boxing Day, Victoria Day, Canada Day, Civic Holiday, Labour Day, and Thanksgiving Day. When any such holiday falls on a weekend (Saturday or Sunday), the next weekday following (that is not a holiday) is to be treated as the holiday for RPP time-of-use pricing purposes.”

This revision clarifies that the **Civic Holiday** (the first Monday in August) and **Boxing Day** are also to be treated as a holiday within the context of RPP time-of-use pricing.

The Board has also posted on its website an RPP “Holiday Schedule” that reflects the nine holidays identified above, in order to make this information more accessible to RPP consumers. This “Holiday Schedule” can be found on the RPP web page of the Board's website:

http://www.oeb.gov.on.ca/html/en/industryrelations/ongoingprojects_regulatedpriceplan.htm

This revision to the RPP Manual is effective immediately. The revised RPP Manual is available on the Board's website at www.oeb.gov.on.ca and at the office of the Board during normal business hours.

If you have any questions about this revision to the RPP Manual, please contact Chris Cincar at 416-440-7696 or Russell Chute at 416-440-7682. The Board’s toll free number is 1-888-632-6273.

E-mail inquiries should be directed to RPP@oeb.gov.on.ca.

DATED at Toronto, August 22, 2005.

ONTARIO ENERGY BOARD

John Zych
Board Secretary