



# OEB COST ALLOCATION REVIEW

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## **Flat Rate Water Heaters: Filing Questions**

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December 15, 2005

# Background

- In the 'bundled rate' era, electric water heaters were competition with gas water heaters
- 'Flat Rate' was based on 'anticipated' usage
- Used as Peak Shaving  
(utility could switch off for 90 minutes)
- In 1999, the former regulator disallowed Flat Rate Water Heaters
- LDCs generally discontinued the rate

# Present Situation

There may be a few LDCs that still have customers on 'Flat Rates'  
(one example raised at kick-off meeting)

- Team discussion indicated that deemed water heater usage (based on size of element and tank) is added to arrive at the energy billed

# Proposal for Informational Filings: Supplementary Questions

- Ask supplemental question to determine how many LDCs have deemed consumption billing procedures (exclude USL)
- Ask LDCs to disclose how the consumption is estimated
- Ask LDCs to disclose the number of units per type (e.g. element size and gallons) and associated load estimation for load data purposes
- Also ask LDCs to estimate the cost to convert existing customers back to the meter