

CHAPTER 9

APPLICATION OF RATES AND CHARGES

9.1 INTRODUCTION

This chapter provides policies and guidance to utilities with respect to the application of customer rates and charges.

The effective implementation date of this chapter by a utility will be at the effective date of its next change in rates and charges.

All rates of the utility shall be in accordance with the Schedule of Rates as approved by the Board. Such schedules may contain rates or their applications, which are not specifically provided for in this publication.

Where reference to the utility being able to apply a charge or rate of any kind to a customer is made in this publication, Board approval of such a charge or rate is required, unless the charge or rate is either (i) a charge or rate for a specific customer related to a cost recovery for the provision of one-time services, or (ii) a general customer charge or rate that is a flow through of third party costs.

The order of hierarchy for the Application of Rates and Charges (the Application) is subsequent to the Affiliate Relationships Code, the Distribution System Code, the Retail Settlement Code and the Standard Supply Service Code and any specific conditions set out in a utility's rate schedule. In the event of a disagreement between the Application and the codes, the codes shall take precedence in the order outlined above.

9.2 DISTRIBUTION CUSTOMER CLASSES

The definitions of the distribution rates groups are as follows:

Residential	<p>All service supplied to single-family dwelling units for domestic or household purposes shall be classed as residential service.</p> <p>Multi-unit residential establishments such as apartment buildings supplied through one service (bulk-metered) normally shall be classified as general service. At its discretion, a utility may apply residential rates to apartment buildings with six or less units. Such application must be undertaken consistently within its service area.</p> <p>Where electricity service is provided to combined residential and business (including agricultural usage) and the wiring does not provide for separate metering, the classification shall be at the discretion of the utility and should be based on such considerations as the estimated predominate consumption or the municipal tax roll classification.</p>
General Service	<p>All service supplied to premises other than those classified as residential, street lighting, intermediate or large use shall be classified as general service.</p>
Street Lighting	<p>Service supplied to street lighting equipment owned by or operated for the municipal corporation shall be classified as a street lighting service.</p>
Intermediate Use	<p>Customers who are a subset of the general service class with an average monthly demand >3,000 kW and load factors that significantly affect the rates of the remaining general service class customers.</p>
Large Use	<p>Individual customers whose monthly measured maximum demand (kW) averaged over the most recent 12 consecutive months is equal or greater than 5,000 kW shall be classified as a large use customer.</p>
Sentinel lights	<p>An unmetered lighting load supplied to a sentinel light.</p>

9.3 GENERAL POLICIES

9.3.1 Interpretation and Regulations

The supply of service by the utility to the customer shall be subject to the sections herein as amended from time to time, and to such additional terms and conditions as may be adopted by the utility.

9.3.2 Payment of Bills

Bills are due when rendered by the utility. A customer may pay the bill without the application of a late payment charge up to a due date, which shall be a minimum of sixteen calendar days from the date of mailing or hand delivery of the bill. This due date shall be identified clearly on the customer's bill.

Where payment is made by mail, payment will be deemed to be made on the date post marked. Where payment is made at a financial institution acceptable to the utility, payment will be deemed to be made when stamped/acknowledged by the financial institution or an equivalent transaction record is made.

A partial payment will be applied to any outstanding arrears before being applied to the current billing, unless special considerations have been made by the utility.

9.3.3 Late Payment Charge

Where the total amount of the bill has not been paid within the time outlined in Section 9.3.2, a late payment charge on outstanding balances may be applied to the amount of the bill outstanding on the due date exclusive of any applicable taxes (e.g. G.S.T.). A utility may apply for a utility specific late payment charge which is subject to Board approval. However, in performing ongoing due diligence, utilities should assess the prudence of continuing to use existing late payment charges in view of the decision by the Supreme Court of Canada in Garland v. Consumers Gas.

9.3.4 Collection of Account

Steps should be taken by the utility to collect the total amount of the bill, if not paid within the time outlined in Section 9.3.2. A collection of account charge may be made if a representative of the utility is dispatched to collect the account. However, this charge shall only be applied if the utility is successful in collecting an acceptable portion of the account.

The customer shall be subject either to a collection of account charge or a reconnection charge, as described in Section 9.3.6, in any billing period, unless partial payment of the account has been accepted by the utility.

If a partial payment has been accepted through a collection trip, more than one collection of account charge or a reconnection charge may be made in one billing period, but the number of such charges should not exceed the number of partial payments received by the utility.

9.3.5 Disconnection of Electricity Service

A disconnect notice will be issued in writing not less than seven days after the due date as defined in Section 9.3.2. Notice must be given by hand delivery or by registered mail. Both the customer and tenants of the customer will receive seven days' notice before cut-off.

Prior to the disconnection of the electricity service, a representative of the utility will make reasonable efforts to establish direct contact with the customer. The utility should also, where possible, notify the occupants of each separately occupied unit in the premises. The electricity service will not be disconnected by reason of the non-payment of bills until seven days after a disconnection notice has been given to the customer and as set out in this section.

9.3.6 Reconnection of Electricity Service

Where the electricity service has been disconnected in order to collect the account and then reconnected, a reconnection of service charge may be applied, as outlined in Section 9.3.4.

9.3.7 Proration of Accounts

Accounts shall be prorated where the initial bill or final bill to a customer is for a time period that is different from the normal billing period or where rates have been revised effective on a date not coincident with the customer's billing date.

9.3.8 Dispute Involvement by Measurement Canada

The utility has an obligation to inform the customer of the assistance provided by Measurement Canada in a dispute investigation. Measurement Canada has jurisdiction, under the federal Electricity and Gas Inspection Act, in a dispute between the utility and its customer where the condition or registration of a meter or metering installation is in question. Typically, Measurement Canada will verify the accuracy of the meter and/or the metering installation, meter and billing multipliers used and the application of the rate structures. Once Measurement Canada becomes involved, the provisions of the federal Act take precedence over any provincial requirements.

9.3.9 Dispute Involvement Charge

A dispute involvement charge for utility services related to the Measurement Canada review of a customer initiated dispute investigation may be made by the utility to the customer if Measurement Canada dismisses the dispute for costs incurred by the utility relating to the dispute investigation.

9.3.10 Allowance for Non-Utility Owned Step Down Facilities

Where the utility does not provide step down facilities to the utilization voltage for a customer or where service is supplied directly to a customer's high voltage equipment without the necessity of any step down transformation, the utility may apply to the Board for approval of a credit rate to be applied for such customers.

9.3.11 Emergency Service

A contract may be made with a general service customer with its own electricity generation facility for the provision of emergency service or for back-up power service to supply energy from time to time under conditions and rates established by the utility.

9.3.12 Temporary Electricity Service

Temporary electricity service, including community decorative lighting, should be provided at regular residential or general service rates as appropriate. At the discretion of the utility, the account may be prorated based on the number of days the service was in use.

The customer should also pay for the cost of erecting and removing any additional equipment and a rental charge may be made for transformation equipment supplied by the utility specifically for this service.

If deemed advisable, a deposit in guarantee of the account may be collected.

9.3.13 Account Setup Charge

An account setup charge may be applied when a new account is opened in order to recover the costs associated with the set up of the new account directly from those customers creating the costs. Such a charge is subject to Board approval, and if established, it must be applied consistently to all accounts.

9.3.14 Returned Cheque Charge

Where a customer renders a cheque in payment of an account and the cheque is returned by the financial institution for faulty issue, a charge known as a returned cheque charge may be added to the customer's account to cover the cost associated with processing the returned cheque.

9.3.15 Specific Service Charges, including Work Done at a Customer's Request

For the provision of services that are not included in a utility's standard level of service, including work done at a customer's request, the utility may charge the customer at actual costs, or through a specific service charge, depending on the type of service.