



**RP-2005-0020**  
**EB-2005-0359**

**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 EnWin  
Powerlines Limited for an order or orders approving or  
fixing just and reasonable distribution rates and other  
charges, effective May 1, 2006.

**BEFORE:** Cynthia Chaplin  
Presiding Member

Paul Sommerville  
Member

## **DECISION AND ORDER**

EnWin Powerlines Limited (“EnWin” or the “Applicant”) is a licensed distributor providing electrical service to consumers within its defined service area. EnWin filed an application (the “Application”) with the Ontario Energy Board (the “Board”) for an order or orders approving or fixing just and reasonable rates for the distribution of electricity and other matters, to be effective May 1, 2006.

EnWin is one of over 90 electricity distributors in Ontario that are regulated by the Board. To streamline the process for the approval of distribution rates and charges for these distributors, the Board developed and issued the *2006 Electricity Distribution Rate Handbook* (the “Handbook”) and complementary spreadsheet-based models. These materials were developed after extensive public consultation with distributors, customer groups, public and environmental interest groups, and other interested parties. The Handbook contains requirements and guidelines for filing an application. The models

determine the amounts to be included for the payments in lieu of taxes (“PILs”) and calculate rates based on historical financial and other information entered by the distributor.

Also included in this process was a methodology and model for the final recovery of regulatory assets flowing from the Board’s December 9, 2004 decision *Review and Recovery of Regulatory Assets – Phase 2*, which was for Toronto Hydro, London Hydro, Enersource Hydro Mississauga and Hydro One. In Chapter 10 of that decision, the Board outlined a Phase 2 process for the remaining distributors. By letter of July 12, 2005, the Board provided guidance and a spreadsheet-based model to the distributors for the inclusion of this recovery as part of their 2006 distribution rate applications.

In its preliminary review of the 2006 rate applications received from the distributors, the Board identified several issues that appeared to be common to many or all of the distributors. As a result, the Board held a hearing (EB-2005-0529) to consider these issues (the “Generic Issues Proceeding”) and released its decision (the “Generic Decision”) on March 21, 2006. The rulings flowing from that Generic Decision apply to this Application, except to the extent noted in this Decision. The Board notes that pursuant to ss. 21 (6.1) of the *Ontario Energy Board Act, 1998*, and to the extent that it is pertinent to this Application, the evidentiary record of the Generic Issues Proceeding is part of the evidentiary record upon which the Board is basing this Decision.

In December 2001, the Board authorized the establishment of deferral accounts by the distributors related to the payments that the distributors make to the Ministry of Finance in lieu of taxes. The Board is required, under its enabling legislation, to make an order with respect to non-commodity deferral accounts once every twelve months. The Board has considered the information available with respect to these accounts and orders that the amounts recorded in the accounts will not be reflected in rates as part of the Rate Order that will result from this Decision. The Board will continue to monitor the accounts with a view to clearing them when appropriate.

Public notice of the rate Application made by EnWin was given through newspaper publication in its service area. The evidence filed was made available to the public. Interested parties intervened in the proceeding.

On November 4, 2005, the Board issued Procedural Order No. 1, which indicated in part that the Board would proceed by way of an oral hearing with respect to issues specific to the EnWin application, and that EnWin's Comprehensive Regulatory Asset Review would be heard in a combined hearing with other applicants. Subsequently, on November 28, 2005, the Board issued Procedural Order No. 2, which combined the EnWin Comprehensive Regulatory Asset Review with its main 2006 rates application.

On February 8 and 9, 2006, a Settlement Conference was conducted and on February 15, 2006, EnWin filed a Settlement Proposal of the Applicant and the Intervenor with the Board, which dealt with all the issues on the Board's Issues List.

On February 17, 2006, the Settlement Proposal was presented to and accepted by the Board.

On February 22, 2006, EnWin filed with the Board revised application models to reflect the Settlement Proposal. The Board examined those models and determined that they did not fully reflect the rate consequences of the approved Settlement Proposal, and accordingly directed EnWin to refile the models. EnWin submitted the refiled models to the Board on April 26, 2006.

The Board has examined the April 26 refiling and concludes that the rates set out in it are in accordance with the Settlement Agreement approved by the Board. Accordingly, the Board will implement these rates, subject to modifications arising out of the Generic Decision, as discussed in the following sections.

### **Consequences of the Generic Decision on this Application**

The Generic Decision contains findings relevant to funding for smart meters for electricity distributors. The Applicant did not file a specific smart meter investment plan or request approval of any associated amount in revenue requirement. Absent a specific plan or discrete revenue requirement, the Generic Decision provides that \$0.30 per residential customer per month be reflected in the Applicant's revenue requirement. The Board finds that this increase in the revenue requirement amount will be allocated equally to all metered customers and recovered through their monthly service charge. This increment is reflected in the approved monthly service charges contained in the Tariff of Rates and Charges appended to this Decision. Pursuant to the Generic

Decision, a variance account will be established, the details of which will be communicated in due course.

With respect to standby rates, the Generic Decision provided that existing and proposed standby rates should be declared interim upon the effective date of the rates approved in this decision. Given that EnWin proposed to continue its legacy standby rates, those rates are declared interim at the proposed level as of the effective date of the rate order accompanying this Decision.

### **Resulting Revenue Requirements**

As a result of the Board's determinations on these issues, including its acceptance of the Settlement Proposal, the Board finds that the revenue requirement to be recovered through distribution rates and charges is \$49,524,982, including a debit amount of \$783,949 for the recovery of Regulatory Assets.

In its letter of December 20, 2004 to electricity distributors, the Board indicated that it would consider the disposition of the 2005 OEB dues recorded in Account 1508 in this proceeding. However, given that the final 2005 OEB dues are not available because of the difference in fiscal years for the Board and the distributors, and given that the model used to develop the Application does not incorporate this provision, the Board will review and dispose of the 2005 OEB dues at a later time.

### **Cost Awards**

This Application is one of a number of applications before the Board dealing with 2006 rates chargeable by distributors. Intervenors may be parties to multiple applications and, if eligible, their costs associated with a specific distributor may not be separable. Therefore, for these applications, the matter of intervenor cost awards will be addressed by the Board at a later date, upon the conclusion of the current rate applications. If an intervenor that is eligible to recover its costs is able to uniquely identify its costs associated with this Application, it must file its cost claim within 10 days from the receipt of this Decision.

**THE BOARD ORDERS THAT:**

1. The Tariff of Rates and Charges set out in Appendix A of this Order is approved, effective May 1, 2006, for electricity consumed or estimated to have been consumed on and after May 1, 2006. The application of the revised distribution rates shall be prorated to May 1, 2006. If EnWin Powerlines Limited's billing system is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors shall be implemented upon the first subsequent billing for each billing cycle.
2. The Tariff of Rates and Charges set out in Appendix A of this Order supersedes all previous distribution rate schedules approved by the Ontario Energy Board for EnWin Powerlines Limited, and is final in all respects, except for the standby rates which are approved as interim.
3. EnWin Powerlines Limited shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

**DATED** at Toronto, May 4, 2006.

ONTARIO ENERGY BOARD



Peter H. O'Dell  
Assistant Board Secretary

Appendix "A"

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May 4, 2006

ONTARIO ENERGY BOARD

# EnWin Powerlines Limited

## TARIFF OF RATES AND CHARGES

### Effective May 1, 2006

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

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#### 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, 2006 for all consumption or deemed consumption services used on or after that date.  
 SPECIFIC SERVICE CHARGES - May 1, 2006 for all charges incurred by customers on or after that date.  
 LOSS FACTOR ADJUSTMENT – May 1, 2006 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**

A customer qualifies for residential rate classification if their service is a 120/240 V single-phase supply to a single family dwelling, duplex, triplex, 4-plex or 6-plex, townhome or multi-unit – individually metered apartment, located on a parcel of land zoned by the City of Windsor Building Department for domestic or household purposes and where the Customer uses the dwelling as a home. Where a customer operates an advertised business from a building that may or may not be used as a dwelling, ENWIN may elect to deem that the Customer's rate class will be General Service.

##### **General Service Less Than 50 kW**

A non-residential customer qualifies for a rate classification of General Service Less Than 50 kW if within the last 24 months its monthly peak demand load has not exceeded 50 kW or for a new customer is not expected to exceed 50 kW. On a temporary basis, existing General Service Less Than 50 kW customers whose monthly peak demand has exceeded 50 kW but less than 100 kW in the last 24 months, shall not be reclassified to a General Service 50 to 4,999 kW rate class in order to comply with OEB Decision with Reasons – RP-2000-0069.

##### **General Service 50 to 4,999 kW**

A non-residential customer qualifies for a rate classification of General Service 50 to 4,999 kW if within the last 24 months its monthly peak demand load has equaled or exceeded 50 kW or for a new customer is expected to equal or exceed 50 kW but be less than 5,000 kW. On a temporary basis, existing General Service Less Than 50 kW customers whose monthly peak demand has exceeded 50 kW but less than 100 kW in the last 24 months, shall not be reclassified to a General Service 50 to 4,999 kW rate class in order to comply with OEB Decision with Reasons – RP-2000-0069.

##### **General Service 3,000 to 4,999 kW – Intermediate Use**

A customer is in this class when its individual load is equal to or over 3,000 kW but less than 5,000 kW, averaged over 12 consecutive months and was classified as Time of Use prior to market opening. The premises for this class of customer is considered a structure or structures located on a parcel of land occupied by one customer and is predominantly used for intermediate sized commercial, institutional or industrial purposes.

##### **Large Use - Regular**

A customer is in the regular large use rate class when its monthly peak load, averaged over 12 consecutive months, is equal to or greater than 5,000 kW. The premises for this class of customer is predominantly used for large industrial or institutional purposes located on a parcel of land occupied by a single customer.

##### **Large Use – 3TS**

This classification applies to a customer whose monthly peak load, averaged over 12 consecutive months, is equal to or greater than 5,000 kW and the premise is serviced by a dedicated Transformer Station.

# EnWin Powerlines Limited

## TARIFF OF RATES AND CHARGES

### Effective May 1, 2006

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#### **Large Use – Ford Annex**

This classification applies to a customer whose monthly peak load, averaged over 12 consecutive months, is equal to or greater than 5,000 kW and the premise is serviced by the dedicated Ford Annex Transformer Station.

#### **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.

#### **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 an account for exterior parkway lighting with various parties, controlled by photo cells.

#### **Street Lighting**

This classification refers to an account for roadway lighting with the City of Windsor, controlled by photo cells. The consumption for these customers will be based on the calculated load times the required lighting times established in the approved OEB street lighting load shape profile.

## **MONTHLY RATES AND CHARGES**

### **Residential**

Service Charge	\$	8.05
Distribution Volumetric Rate	\$/kWh	0.0195
Regulatory Asset Recovery	\$/kWh	0.0041
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Regulated Price Plan – Administration Charge	\$	0.25

### **General Service Less Than 50 kW**

Service Charge	\$	22.61
Distribution Volumetric Rate	\$/kWh	0.0143
Regulatory Asset Recovery	\$/kWh	(0.0003)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0056
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0037
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Regulated Price Plan – Administration Charge	\$	0.25

### **General Service 50 – 4,999 kW**

Service Charge	\$	300.01
Distribution Volumetric Rate	\$/kW	3.0625
Regulatory Asset Recovery	\$/kW	(0.3872)
Retail Transmission Rate – Network Service Rate	\$/kW	1.9208
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3136
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Regulated Price Plan – Administration Charge (if applicable)	\$	0.25



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#### General Service 3,000 to 4,999 kW – Intermediate Use

Service Charge	\$	400.80
Distribution Volumetric Rate	\$/kW	0.3703
Regulatory Asset Recovery	\$/kW	(0.0837)
Retail Transmission Rate – Network Service Rate	\$/kW	2.6031
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7802
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Regulated Price Plan – Administration Charge (if applicable)	\$	0.25

#### Large Use – Regular

Service Charge	\$	5,964.18
Distribution Volumetric Rate	\$/kW	1.7193
Regulatory Asset Recovery	\$/kW	(0.3350)
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.6432
Retail Transmission Rate – Line Connection Service Rate – Interval Metered	\$/kW	0.6140
Retail Transmission Rate – Transformation Connection Service Rate – Interval Metered	\$/kW	1.1936
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Regulated Price Plan – Administration Charge (if applicable)	\$	0.25

#### Large Use – 3TS

Service Charge	\$	20,047.70
Distribution Volumetric Rate	\$/kW	2.0367
Regulatory Asset Recovery	\$/kW	(0.2635)
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.6432
Retail Transmission Rate – Line Connection Service Rate – Interval Metered	\$/kW	0.6140
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Regulated Price Plan – Administration Charge (if applicable)	\$	0.25

#### Large Use – Ford Annex

Service Charge	\$	92,838.82
Distribution Volumetric Rate	\$/kW	n/a
Regulatory Asset Recovery	\$/kW	(0.8569)
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.6432
Retail Transmission Rate – Line Connection Service Rate – Interval Metered	\$/kW	0.6140
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Regulated Price Plan – Administration Charge (if applicable)	\$	0.25

#### Unmetered Scattered Load

Service Charge (per connection)	\$	26.50
Distribution Volumetric Rate	\$/kWh	n/a
Regulatory Asset Recovery	\$/kWh	(1.9428)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0056
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0037
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Regulated Price Plan – Administration Charge (if applicable)	\$	0.25

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#### **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 0.56

#### **Sentinel Lighting**

Service Charge (per connection)	\$	4.52
Distribution Volumetric Rate	\$/kW	n/a
Regulatory Asset Recovery	\$/kW	0.9122
Retail Transmission Rate – Network Service Rate	\$/kW	1.7574
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2018
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Regulated Price Plan – Administration Charge (if applicable)	\$	0.25

#### **Street Lighting**

Service Charge (per connection)	\$	1.76
Distribution Volumetric Rate	\$/kW	n/a
Regulatory Asset Recovery	\$/kW	(0.1635)
Retail Transmission Rate – Network Service Rate	\$/kW	1.7552
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2004
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Regulated Price Plan – Administration Charge (if applicable)	\$	0.25

#### **Specific Service Charges**

<b>Customer Administration</b>		
Arrears certificate	\$	15.00
Pulling post dated cheques	\$	15.00
Easement Letter	\$	15.00
Account history	\$	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 (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Dispute test residential	\$	50.00
Dispute test commercial self contained – MC	\$	105.00
Dispute test commercial TT-MC	\$	180.00
<b>Non-Payment of Account</b>		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	30.00
Disconnect/Reconnect Charge - At Meter During Regular Hours	\$	65.00
Disconnect/Reconnect Charge - At Meter After Hours	\$	65.00

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Service layout – residential	\$	110.00
Service layout – commercial	\$	150.00
Overtime locate	\$	60.00
Disposal of concrete poles	\$	95.00
Missed service appointment	\$	65.00
Service call – customer owned equipment	\$	30.00
Same day open trench	\$	170.00
Scheduled day open trench	\$	100.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
 Allowances		
Transformer Allowance for Ownership - per kW of billing demand/month	\$	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

### LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0390
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0286
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045