



EB-2007-0514

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 Canadian Niagara Power Inc. – Fort Erie for an order or orders approving or fixing just and reasonable distribution rates and other charges for 2007.

BEFORE: Paul Sommerville
Presiding Member

Paul Vlahos
Member

Ken Quesnelle
Member

RATE ORDER

On January 26, 2007, Canadian Niagara Power Inc. – Fort Erie (“CNPI - Fort Erie”) filed an application with the Ontario Energy Board (the “Board”) under section 78 of the Ontario Energy Board Act, 1998; S.O. c.15, Schedule B, for an order or orders approving or fixing just and reasonable rates for the distribution of electricity effective May 1, 2007. The Board assigned file number EB-2007-0514 to the application.

In addition to the automatic price index adjustment mechanism, CNPI – Fort Erie requested recovery of \$1,611,053 plus interest for costs that it incurred as a result of the damage inflicted to the distribution system of Fort Erie by an October

2006 storm. The request was made on the basis of the Z Factor provisions in the December 20, 2006 *Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation for Ontario's Electricity Distributors* (the "Board Report").

In addition to CNPI – Fort Erie, three other Ontario electricity distributors also made applications to the Board for recovery of costs incurred due to extraordinary events, namely severe storms, which inflicted significant damage to their respective distribution systems. All four distributors requested recovery of these costs through the Z Factor recovery mechanism outlined in the Board Report.

On April 30, 2007 the Board issued decisions for each of the applicants, establishing new distribution rates reflecting only the automatic price index adjustment. The Board set the approved distribution rates as interim pending a more detailed review of the applicants' Z Factor claims.

In order to expedite the review of issues related to the storm damage cost claims, the Board convened a combined oral hearing, which reviewed the storm damage cost claims for the four applicants. The oral hearing took place on June 11, 2007 at the Board's offices in Toronto.

On July 31, 2007 the Board released its combined Decision with Reasons (the "Decision"). The Board directed each of the applicants to file with the Board and all intervenors of record, revised rate riders reflecting the Board's findings.

CNPI – Fort Erie filed its revised rate riders with the Board and all intervenors on August 2, 2007. The revised information reflected changes to CNPI – Fort Erie's original application as required by the Decision.

In its Decision, the Board provided five days for intervenors to comment on the re-filing. No comments were received by the Board.

Upon reviewing the materials as submitted by CNPI – Fort Erie, the Board finds it appropriate to issue the final 2007 rate order effective September 1, 2007, reflecting the Board's Decision. The Board finds the rates and charges in the Tariff of Rates and Charges attached as Appendix "A" to this order to be just and reasonable.

THE BOARD ORDERS THAT:

1. The Tariff of Rates and Charges for CNPI-Fort Erie attached as Appendix "A" to this order is approved as final.
2. CNPI – Fort Erie shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

ISSUED at Toronto, August 10, 2007

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

APPENDIX A
TARIFF OF RATES AND CHARGES

Canadian Niagara Power – Fort Erie

RATE ORDER

BOARD FILE NO. EB-2007-0514

August 10, 2007

Canadian Niagara Power – Fort Erie

TARIFF OF RATES AND CHARGES

Effective September 1, 2007

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

EB-2007-0514

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 - September 1, 2007 for all consumption or deemed consumption services used on or after that date.

SPECIFIC SERVICE CHARGES - September 1, 2007 for all charges incurred by customers on or after that date.

LOSS FACTOR ADJUSTMENT – September 1, 2007 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

The Residential Class (Regular) refers to a service taking electricity normally at 750 volts or less where the electricity is used for domestic and household purposes in a single family unit. A single family unit being a permanent structure located on a single parcel of land and approved by a civic authority as a dwelling and occupied for that purpose by a single customer.

Residential rates are also applied to apartment buildings with 6 units or less that are bulk metered. Apartment buildings with more than 6 units that are bulk metered are deemed to be General Service.

General Service Less Than 50 kW

This classification refers to the supply of electrical energy to single commercial or industrial customer and whose average peak demand is (or is forecasted to be) less than 50 kW. Single commercial or industrial customers are interpreted as a structure or structures on a single parcel of land occupied by one customer. An apartment building with more than 6 units that is bulk metered and has an average peak demand less than 50 kW is deemed to be General Service less than 50 kW. The common area of a separately metered apartment building having a demand less than 50 kW is also deemed to be General Service less than 50 kW.

General Service 50 to 4,999 kW

This classification refers to the supply of electrical energy to single commercial or industrial customer and whose average peak demand is (or is forecasted to be) equal to or greater than 50 kW but less than 5000 kW. Single commercial or industrial customers are interpreted as a structure or structures on a single parcel of land occupied by one customer.

Unmetered Scattered Load

This classification refers to the supply of electrical service to a customer that is deemed to have a constant load over a billing period, normally with minimum electrical consumption and the consumption is unmetered. Energy consumption is based on connected wattage and calculated hours of use. Examples of unmetered scattered load are cable television amplifiers, billboards, area lighting.

Sentinel Lighting

This classification refers to all services required to supply sentinel lighting equipment.

Street Lighting

This classification refers to the supply of electrical service for roadway lighting. Energy consumption is based on connected wattage and calculated hours of use. Customers are usually a Municipality, Region or the Ministry of Transportation.

Canadian Niagara Power – Fort Erie

TARIFF OF RATES AND CHARGES

Effective September 1, 2007

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

EB-2007-0514

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	19.94
Service Charge Rate Rider for Storm Damage Cost Recovery – effective until August 31, 2009	\$	2.11
Distribution Volumetric Rate	\$/kWh	0.0072
Distribution Volumetric Rate Rider for Storm Damage Cost Recovery – effective until August 31, 2009	\$/kWh	0.0008
Regulatory Asset Recovery	\$/kWh	0.0043
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0054
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0047
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	\$	17.46
Service Charge Rate Rider for Storm Damage Cost Recovery – effective until August 31, 2009	\$	1.85
Distribution Volumetric Rate	\$/kWh	0.0221
Distribution Volumetric Rate Rider for Storm Damage Cost Recovery – effective until August 31, 2009	\$/kWh	0.0024
Regulatory Asset Recovery	\$/kWh	(0.0012)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0042
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	\$	115.83
Service Charge Rate Rider for Storm Damage Cost Recovery – effective until August 31, 2009	\$	12.42
Distribution Volumetric Rate	\$/kW	7.1966
Distribution Volumetric Rate Rider for Storm Damage Cost Recovery – effective until August 31, 2009	\$/kW	0.7737
Regulatory Asset Recovery	\$/kW	(1.5227)
Retail Transmission Rate – Network Service Rate	\$/kW	2.0150
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6849
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 customer)	\$	8.51
Service Charge (per customer) Rate Rider for Storm Damage Cost Recovery – effective until August 31, 2009	\$	0.91
Distribution Volumetric	\$/kWh	0.0219
Distribution Volumetric Rate Rate Rider for Storm Damage Cost Recovery – effective until August 31, 2009	\$/kWh	0.0024
Regulatory Asset Recovery	\$/kWh	0.0097
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0042
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service - Administrative Charge (if applicable)	\$	0.25

Sentinel Lighting

Service Charge	\$	1.96
Service Charge Rate Rider for Storm Damage Cost Recovery – effective until August 31, 2009	\$	0.21
Distribution Volumetric Rate	\$/kW	1.9583
Distribution Volumetric Rate Rider for Storm Damage Cost Recovery – effective until August 31, 2009	\$/kW	0.2105
Regulatory Asset Recovery	\$/kW	(2.6600)
Retail Transmission Rate – Network Service Rate	\$/kW	1.6083

Canadian Niagara Power – Fort Erie

TARIFF OF RATES AND CHARGES

Effective September 1, 2007

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

EB-2007-0514

Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	01.3298
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)	\$	1.30
Service Charge (per connection) Rate Rider for Storm Damage Cost Recovery—effective until August 31, 2009	\$	0.14
Distribution Volumetric Rate	\$/kW	1.5729
Distribution Volumetric Rate Rider for Storm Damage Cost Recovery – effective until August 31, 2009	\$/kW	0.1691
Regulatory Asset Recovery	\$/kW	(2.0954)
Retail Transmission Rate – Network Service Rate	\$/kW	1.5196
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3025
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
Statement of Account	\$	15.00
Pulling Post Dated Cheques	\$	15.00
Duplicate invoices for previous billing	\$	15.00
Request for other billing information	\$	15.00
Easement Letter	\$	15.00
Income tax letter	\$	15.00
Notification Charge	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque (plus bank charges)	\$	15.00
Charge to certify cheques	\$	15.00
Legal letter charge	\$	15.00
Special meter reads	\$	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
Collection of account charge – no disconnection – during regular hours	\$	30.00
Collection of account charge – no disconnect – after regular hours	\$	165.00
Disconnect/Reconnect Charges at meter - during regular hours	\$	65.00
Disconnect/Reconnect Charges at meter - after regular hours	\$	185.00
Disconnect/reconnect at pole – during regular hours	\$	185.00
Disconnect/reconnect at pole – after regular hours	\$	415.00
Install/remove load control device – during regular hours	\$	65.00
Install/remove load control device – after regular hours	\$	185.00
Service call – customer-owned equipment	\$	30.00
Service call – after regular hours	\$	165.00
Temporary service install & remove – overhead – no transformer	\$	500.00
Temporary service install & remove – underground – no transformer	\$	300.00
Temporary service install & remove – overhead – with transformer	\$	1,000.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
Allowances		
Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)

Canadian Niagara Power – Fort Erie

TARIFF OF RATES AND CHARGES

Effective September 1, 2007

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

Primary Metering Allowance for transformer losses – applied to measured demand and energy %

EB-2007-0514
(1.00)

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW
Total Loss Factor – Primary Metered Customer < 5,000 kW

1.0479
1.0374