



**EB-2007-0532**

**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 Greater  
Sudbury Hydro Inc. for an order or orders approving or  
fixing just and reasonable distribution rates and other  
charges, to be effective May 1, 2007.

**BEFORE:** Paul Sommerville  
Presiding Member

Paul Vlahos  
Member

Ken Quesnelle  
Member

## **DECISION AND ORDER**

Greater Sudbury Hydro Inc. (“Greater Sudbury”) is a licensed distributor providing electrical service to consumers within its licensed service area. Greater Sudbury filed an 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 charges, to be effective May 1, 2007.

Greater Sudbury is one of 85 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 issued its *Report of the Board on Cost of Capital and 2<sup>nd</sup> Generation Incentive Regulation for Ontario’s Electricity Distributors* (the “Report”) on December 20, 2006. The Report contained the relevant guidelines for 2007 rate adjustments (“the guidelines”) for distributors applying for rates only on the basis of the cost of capital and 2<sup>nd</sup> generation incentive regulation mechanism policies set out in the Report.

Public notice of Greater Sudbury's rate application was given through newspaper publication in Greater Sudbury's service area. The evidence filed as part of the rate application was made available to the public. Both Greater Sudbury and interested parties had the opportunity to file written submissions in relation to the rate application. The Board received no submissions. While the Board has considered the entire record in this rate application, it has made reference only to such evidence as is necessary to provide context to its findings.

Greater Sudbury's rate application was filed on the basis of the guidelines. In fixing new rates and charges for Greater Sudbury, the Board has applied the policies described in the Report.

After confirming the accuracy of the 2006 rate tariff and accompanying materials submitted in the rate application, the Board applied its approved price cap index adjustment to distribution rates (fixed and variable) uniformly across all customer classes. The price cap index is calculated as a price escalator less an X-factor of 1.0%, intended to represent input price and productivity trends. Based on the final 2006 data published by Statistics Canada, the Board has established the price escalator to be 1.9%. The resulting price cap index adjustment is therefore 0.9%.

The price cap index adjustment was not applied to the following components of the rates:

- the specific service charges;
- the regulatory asset recovery rate rider; and
- the smart meter rate adder (an amount in the fixed components of the rates associated with smart meter cost recovery).

Greater Sudbury requested an amount for smart meter costs. The Board has approved an amount of \$0.27 per month per metered customer. Greater Sudbury's variance accounts for smart meter program implementation costs, previously authorized by the Board, are continued. It is the Board's understanding that Greater Sudbury will not be undertaking any smart metering activity (i.e. discretionary metering activity) in 2007. The amount collected through the smart meter rate adder will be booked into the existing variance accounts, and retained in those accounts, to help fund future smart meter activity. As the notice of this application indicated, the Board will be holding a combined proceeding to consider, among other things, appropriate recovery of smart meter costs.

The Board has made the necessary adjustments to Greater Sudbury's filed 2006 Tariff of Rates and Charges to produce a new Tariff of Rates and Charges to be effective May 1, 2007. The Board finds the rates and charges in the Tariff of Rates and Charges attached as Appendix A to this decision to be just and reasonable.

**THE BOARD ORDERS THAT:**

1. The Tariff of Rates and Charges set out in Appendix A of this order is approved, effective May 1, 2007, for electricity consumed or estimated to have been consumed on and after May 1, 2007.
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 Greater Sudbury, and is final in all respects.
3. Greater Sudbury shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

**DATED** at Toronto, April 12, 2007

**ONTARIO ENERGY BOARD**

*Original signed by*

Peter H. O'Dell  
Assistant Board Secretary

Appendix A

EB-2007-0532

April 12, 2007

ONTARIO ENERGY BOARD

# Greater Sudbury Hydro Inc.

## TARIFF OF RATES AND CHARGES

### Effective May 1, 2007

**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, 2007 for all consumption or deemed consumption services used on or after that date.  
 SPECIFIC SERVICE CHARGES - May 1, 2007 for all charges incurred by customers on or after that date.  
 LOSS FACTOR ADJUSTMENT – May 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

To qualify for residential rates an electrical service shall meet all of the following conditions:

- The electricity shall be intended for and used primarily for a residence in which one or more person(s) reside.
- The electrical service shall be individually metered, no bulk metering allowed.

Residential customers are defined as customers connected as detached, semi-detached or duplex dwelling units. It does not include Residential Rate Class customers in apartments, condominiums, row housing or any other abode that is not a detached, semi-detached or duplex dwelling unit. The definition does not include the installation of primary, transformation and secondary to the hand holes in a new subdivision. All items excluded from the residential rate class definition, as above, shall be treated as general service rate class customers.

##### General Service Less Than 50 kW

To qualify for general service rates an electrical service shall meet all of the following conditions:

- The electrical service shall not qualify as a Residential Rate Class service.
- The electrical service shall have a peak demand less than 50 kilowatts for seven or more months in any twelve month period.
- New connections will be classified based on the rating, in amperes, of the main switch or sum of main switches.

The General Service Less Than 50 kW Rate Class includes those Residential Rate Class customers that are not in detached, semi-detached or duplex dwelling units. The General Service Rate Class also includes subdivision developments and all General Service Rate Class customers.

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

To qualify for General Service 50 to 4,999 kW Rates, an electrical service shall meet all of the following conditions:

- The electrical service shall not qualify as a Residential Rate Class service.
- The electrical service shall not qualify for a General Service Less Than 50 kW Rate Class service.
- New customers will be classified based on the rating, in amperes, of the main switch or sum of main switches.

##### Unmetered Scattered Load

This classification applies to an account 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. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption.

##### Sentinel Lighting

This classification refers to accounts that are an unmetered lighting load supplied to a sentinel light.

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**Street Lighting**

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established in the approved OEB street lighting load shape template.

**MONTHLY RATES AND CHARGES****Residential**

Service Charge	\$	15.13
Distribution Volumetric Rate	\$/kWh	0.0115
Regulatory Asset Recovery	\$/kWh	0.0006
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0045
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0036
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

**Residential – Time of Use**

Service Charge	\$	15.13
Distribution Volumetric Rate	\$/kWh	0.0115
Regulatory Asset Recovery	\$/kWh	0.0006
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0045
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0036
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	\$	21.78
Distribution Volumetric Rate	\$/kWh	0.0184
Regulatory Asset Recovery	\$/kWh	(0.0001)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0032
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0026
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	\$	179.95
Distribution Volumetric Rate	\$/kW	4.6925
Regulatory Asset Recovery	\$/kW	0.0721
Retail Transmission Rate – Network Service Rate	\$/kW	2.4902
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.9636
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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#### Unmetered Scattered Load

Service Charge (per connection)	\$	10.76
Distribution Volumetric Rate	\$/kWh	0.0184
Regulatory Asset Recovery	\$/kWh	0.0012
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0032
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0026
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 (per connection)	\$	0.78
Distribution Volumetric Rate	\$/kW	2.1078
Regulatory Asset Recovery	\$/kW	0.1226
Retail Transmission Rate – Network Service Rate	\$/kW	1.3383
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.0552
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)	\$	0.2300
Distribution Volumetric Rate	\$/kW	0.8243
Regulatory Asset Recovery	\$/kW	(0.1397)
Retail Transmission Rate – Network Service Rate	\$/kW	1.2642
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.9968
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
Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
Collection of account charge - no disconnection - after regular hours	\$	165.00
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect 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
Specific Charge for Access to the Power Poles \$/pole/year	\$	22.35
Allowances		
Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

**Greater Sudbury Hydro Inc.**  
**TARIFF OF RATES AND CHARGES**  
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**LOSS FACTORS**

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0559
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0453
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A