



Rockwood Division

(Name before merger: Wellington Electric Distribution Company)

2007 EDR Application

IRM CASE NUMBER: EB-2007-0534

Short Form Name: WellingtonElectric

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- 1. Manager's Summary**
- 2. 2007 IRModel – file name:
WellingtonElectric_2007IRModel_20070126**

The 2007 EDR application is based on 2006 EDR approved file number RP-2005-0020/EB-2005-0429, and the Board-Approved 2006 tariff of Rates and Charges.

Wellington Electric Distribution Company (short name WEDCO) merged with Guelph Hydro Electric Systems on March 31, 2006, after the 2006 EDR process, therefore the 2006 Board-Approved tariff of Rates and Charges is different from Guelph Hydro's 2006 EDR approved schedule. A rate harmonization process is expected in 2008 based on the Cost Allocation review (joint submission).

WEDCO has six Service Classifications and Rate Classifications approved in the 2006 EDR process:

1. Residential
2. General Service Less than 50 kW
3. General Service 50 kW to 4,999 kW
4. Unmetered Scattered Load
5. Sentinel Lighting
6. Street lighting

All classes are well defined and conform to the descriptions included in 2007 IRModel - Sheet 3.

There are no deviations from the December 20, 2006 "Report of the Board on the Cost of Capital and 2nd Generation Incentive regulation of Ontario's Electricity Distributors".

WEDCO has complied with the OEB's last instructions received by email (January 15, 2006) regarding the Clarification of 2006 Base Revenue Requirement for LCT adjustment.

With the exception of a letter from the OEB Compliance Office (Board file CO20060060) requesting information on several business activities under section 71(1) of the *Ontario Energy Board Act*, GHESI is in compliance with its licence (amended by adding WEDCO's jurisdiction). There are no special conditions in its licence nor is it exempt from any conditions in its licence that would affect the review of this application.

The Smart Meter Rate Adder is \$0.27 per interval metered customer (excluding Unmetered Scattered Load, Sentinel Lighting, and Street Lighting customers).

WEDCO did not apply for incremental CDM spending (over and above the 3rd tranche) in 2006, therefore no CDM adjustment has been considered in this application.

WEDCO's Board approval included an amount for the Large Corporation Tax in 2006 (\$2,321). Therefore, a rate reduction ratio (0.45%) has been applied to the Monthly Service Charge and 2006 Volumetric Rate (without smart meter rate adder).

There are no deviations from the Price Escalator ratio (1.92%), and Average Annual Expected Productivity Gain (1.00%) stated by the December 20, 2006 Board Report.

The total average bill impact (after taxes) is minimal (between -3.08% and -0.03%).

On an average residential 1,000 kWh monthly bill, the distribution portion has a minimal impact of 0.53% increase. This represents the average residential consumer in Rockwood (WEDCO).

This 2007 EDR submission is applicable to the WEDCO approved 2006 EDR schedule.

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