



EB-2007-0541

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 Hydro One
Brampton Networks 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

Hydro One Brampton Networks Inc. ("Hydro One Brampton") is a licensed distributor providing electrical service to consumers within its licensed service area. Hydro One Brampton 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.

Hydro One Brampton 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 2nd 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 2nd generation incentive regulation mechanism policies set out in the Report.

Public notice of Hydro One Brampton's rate application was given through newspaper publication in Hydro One Brampton's service area. The evidence filed as part of the rate application was made available to the public. Both Hydro One Brampton 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.

Hydro One Brampton's rate application was filed on the basis of the guidelines. In fixing new rates and charges for Hydro One Brampton, 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 large corporation tax allowance component that was included in 2006 rates was removed prior to the application of the price cap index adjustment.

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).

Hydro One Brampton requested an amount for smart meter costs. The Board has approved an amount of \$0.67 per month per metered customer. Hydro One Brampton's variance accounts for smart meter program implementation costs, previously authorized by the Board, are continued. 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.

Hydro One Brampton's standby rates were approved as interim by the Board in its 2006 distribution rates order. The Board is still examining the issues related to standby rates, and is not in a position to make a final order for these rates at this time. The standby rates will be adjusted by the price cap index but remain interim.

The Board has made the necessary adjustments to Hydro One Brampton'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 Hydro One Brampton, and is final in all respects, except for the standby rates which are approved as interim.
3. Hydro One Brampton 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-2007-0541

April 12, 2007

ONTARIO ENERGY BOARD

Hydro One Brampton Networks 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

This classification applies to an account where the electricity is used supplied exclusively to single-family dwelling units for domestic or household purposes, including seasonal occupancy. This includes, but is not limited to, detached houses, one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex also qualify as residential customers.

General Service Less than 50 kW

This classification applies to a non residential account less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW. Multi-unit residential establishments such as apartment buildings supplied through one service (bulk metered) shall normally be classified as general service.

Where service is provided to combined residential and business, or residential and agricultural, whether seasonal or all-year premises, and the wiring does not provide for separate metering, the service shall normally be classed as general service.

General Service 50 to 699 kW

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 700 kW.

Greater Service 700 to 4,999 kW

This classification applies to a non residential account whose average monthly maximum demand used for billing purposes is equal to or greater than, or is forecast to be equal to or greater than, 700 kW but less than 5,000 kW.

Large Use

This classification applies to an account whose average monthly maximum demand over 12 consecutive months used for billing purposes is equal to or greater than 5,000 kW, or is forecast to be equal to or greater than 5,000 kW.

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.

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

Street Lighting

All service supplied to roadway lighting equipment owned by or operated by the City of Brampton, Regional Municipality of Peel, or the Ministry of Transportation, 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.

Embedded Distributor

This classification applies to an electricity distributor licensed by the Board, that is provided electricity by means of this distributor's facilities.

MONTHLY RATES AND CHARGES**Residential**

Service Charge	\$	11.45
Distribution Volumetric Rate	\$/kWh	0.0159
Regulatory Asset Recovery	\$/kWh	0.0020
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0048
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	\$	21.40
Distribution Volumetric Rate	\$/kWh	0.0183
Regulatory Asset Recovery	\$/kWh	0.0013
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0053
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043
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 699 kW

Service Charge	\$	105.14
Distribution Volumetric Rate	\$/kW	2.3593
Regulatory Asset Recovery	\$/kW	0.2855
Retail Transmission Rate – Network Service Rate	\$/kW	2.0303
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6301
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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General Service 700 to 4,999 kW

Service Charge	\$	1,451.43
Distribution Volumetric Rate	\$/kW	3.8426
Regulatory Asset Recovery	\$/kW	0.3003
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.2770
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.7523
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Large Use

Service Charge	\$	4,858.22
Distribution Volumetric Rate	\$/kW	2.9854
Regulatory Asset Recovery	\$/kW	0.3673
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.5770
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	2.0254
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)	\$	20.73
Distribution Volumetric Rate	\$/kWh	0.0183
Regulatory Asset Recovery	\$/kWh	0.0013
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0053
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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	1.52
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Sentinel Lighting

Distribution Volumetric Rate	\$/kW	3.9077
Regulatory Asset Recovery	\$/kW	(1.6042)
Retail Transmission Rate – Network Service Rate	\$/kW	1.6926
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3588
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

Distribution Volumetric Rate	\$/kW	2.2678
Regulatory Asset Recovery	\$/kW	0.3095
Retail Transmission Rate – Network Service Rate	\$/kW	1.6904
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3571
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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Embedded Distributor

Distribution Wheeling Service Rate	\$/kW	0.0618
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Specific Service Charges

Customer Administration

Arrears certificate	\$	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
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)		\$
15.00		
Legal letter charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special meter reads	\$	30.00
Special Billing Service (aggregation)	\$	125.00
Special Billing Service (sub-metering charge per meter)		\$
25.00		

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge - no disconnection	\$	30.00
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
Disconnect/Reconnection for >300 volts - during regular hours	\$	60.00
Disconnect/Reconnection for >300 volts - after regular hours	\$	155.00

Owner Requested Disconnection/Reconnection - during regular hours	\$	120.00
Owner Requested Disconnection/Reconnection - after regular hours	\$	155.00
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)
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	1.0356
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0253
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045