



EB-2007-0573

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
PowerStream 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

PowerStream Inc. ("PowerStream") is a licensed distributor providing electrical service to consumers within its licensed service area. PowerStream 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.

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

PowerStream's rate application was filed on the basis of the guidelines. In fixing new rates and charges for PowerStream, 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 was included in 2006 rates and 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).

PowerStream requested an amount for smart meter costs. The Board has approved an amount of \$0.73 per month per metered customer. PowerStream'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.

The Board has made the necessary adjustments to PowerStream'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 PowerStream, and is final in all respects.
3. PowerStream 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

The Tariff of Rates and Charges

EB-2007-0573

April 12, 2007

ONTARIO ENERGY BOARD

PowerStream 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 refers to an account taking electricity at 750 volts or less where the electricity is used exclusively in a separately metered living accommodation. Customers shall be residing in single-dwelling units that consist of a detached house or one unit of a semi-detached, duplex, triplex or quadruplex house, with a residential zoning. Separately metered dwellings within a town house complex or apartment building also qualify as residential customers.

Multi-unit residential establishments such as apartment buildings supplied through one service (bulk metered) shall be classified as general service.

General Service Less Than 50 kW

This classification refers to a non residential account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW.

General Service 50 to 4,999 kW

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW.

General Service 50 to 4,999 kW – Time of Use

This classification refers to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 50 kW but less than 5,000 kW. Usage is measured by a time of use meter, which is a device that measures and records electrical usage during pre-specified periods of the day cumulatively over a meter reading period.

Large Use

This classification refers to an account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW.

Unmetered Scattered Load

This classification refers to an account taking electricity at 750 volts or less whose average monthly peak 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 customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load.

Sentinel Lighting

This classification refers to 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 operation, 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

Aurora Rate Zone

Residential

Service Charge	\$	14.76
Distribution Volumetric Rate	\$/kWh	0.0180
Regulatory Asset Recovery	\$/kWh	0.0051
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0053
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	\$	33.40
Distribution Volumetric Rate	\$/kWh	0.0139
Regulatory Asset Recovery	\$/kWh	0.0039
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0055
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 50 to 4,999 kW

Service Charge	\$	211.71
Distribution Volumetric Rate	\$/kW	2.5431
Regulatory Asset Recovery	\$/kW	1.3376
Retail Transmission Rate – Network Service Rate	\$/kW	2.2720
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.9736
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 connection)	\$	16.34
Distribution Volumetric Rate	\$/kWh	0.0139
Regulatory Asset Recovery	\$/kWh	0.0050
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0055
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

PowerStream Inc.

TARIFF OF RATES AND CHARGES

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Sentinel Lighting

Service Charge	\$	2.68
Distribution Volumetric Rate	\$/kW	8.1346
Regulatory Asset Recovery	\$/kW	2.2609
Retail Transmission Rate – Network Service	\$/kW	1.7818
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5498
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)	\$	0.60
Distribution Volumetric Rate	\$/kW	5.4250
Regulatory Asset Recovery	\$/kW	0.1716
Retail Transmission Rate – Network Service Rate	\$/kW	1.7926
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5593
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Markham Rate Zone

Residential

Service Charge	\$	11.49
Distribution Volumetric Rate	\$/kWh	0.0127
Regulatory Asset Recovery	\$/kWh	(0.0007)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0027
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	\$	29.06
Distribution Volumetric Rate	\$/kWh	0.0089
Regulatory Asset Recovery	\$/kWh	(0.0012)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0054
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0025
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	\$	320.76
Distribution Volumetric Rate	\$/kW	1.4248
Regulatory Asset Recovery	\$/kW	(0.3898)
Retail Transmission Rate – Network Service Rate	\$/kW	2.1855
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.9808
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

PowerStream Inc.

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General Service 50 – 4,999 kW – Time of Use

Service Charge	\$	2,717.90
Distribution Volumetric Rate	\$/kW	1.3499
Regulatory Asset Recovery	\$/kW	(0.9205)
Retail Transmission Rate – Network Service Rate	\$/kW	2.3211
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.0751
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)	\$	28.33
Distribution Volumetric Rate	\$/kWh	0.0089
Regulatory Asset Recovery	\$/kWh	(0.0012)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0054
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0025
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	\$	0.59
Distribution Volumetric Rate	\$/kW	1.5101
Regulatory Asset Recovery	\$/kW	0.7657
Retail Transmission Rate – Network Service Rate	\$/kW	1.6565
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7740
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)	\$	0.21
Distribution Volumetric Rate	\$/kW	1.4252
Regulatory Asset Recovery	\$/kW	(0.7320)
Retail Transmission Rate – Network Service Rate	\$/kW	1.6482
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7582
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Richmond Hill Rate Zone

Residential

Service Charge	\$	13.48
Distribution Volumetric Rate	\$/kWh	0.0147
Regulatory Asset Recovery	\$/kWh	(0.0010)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0027
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 Less Than 50 kW

Service Charge	\$	33.82
Distribution Volumetric Rate	\$/kWh	0.0125
Regulatory Asset Recovery	\$/kWh	(0.0003)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0054
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0025
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	\$	295.01
Distribution Volumetric Rate	\$/kW	3.2251
Regulatory Asset Recovery	\$/kW	(0.0082)
Retail Transmission Rate – Network Service Rate	\$/kW	2.1855
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.9808
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 connection)	\$	16.55
Distribution Volumetric Rate	\$/kWh	0.0125
Regulatory Asset Recovery	\$/kWh	(0.0003)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0054
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0025
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)	\$	0.83
Distribution Volumetric Rate	\$/kW	4.7273
Regulatory Asset Recovery	\$/kW	(0.8406)
Retail Transmission Rate – Network Service Rate	\$/kW	1.6482
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7582
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Vaughan Rate Zone

Residential

Service Charge	\$	12.29
Distribution Volumetric Rate	\$/kWh	0.0111
Regulatory Asset Recovery	\$/kWh	(0.0017)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0059
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0027
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

PowerStream Inc.

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General Service Less Than 50 kW

Service Charge	\$	28.66
Distribution Volumetric Rate	\$/kWh	0.0142
Regulatory Asset Recovery	\$/kWh	(0.0022)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0054
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0025
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	\$	307.47
Distribution Volumetric Rate	\$/kW	2.7897
Regulatory Asset Recovery	\$/kW	(0.4488)
Retail Transmission Rate – Network Service Rate	\$/kW	2.1855
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.9808
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	\$	8,149.90
Distribution Volumetric Rate	\$/kW	1.1722
Regulatory Asset Recovery	\$/kW	(0.9271)
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.5701
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.2295
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 connection)	\$	13.96
Distribution Volumetric Rate	\$/kWh	0.0142
Regulatory Asset Recovery	\$/kWh	(0.0022)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0054
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0025
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	\$	0.53
Distribution Volumetric Rate	\$/kW	2.1523
Regulatory Asset Recovery	\$/kW	0.4220
Retail Transmission Rate – Network Service Rate	\$/kW	1.6565
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7740
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

PowerStream Inc.

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Street Lighting

Service Charge (per connection)	\$	0.95
Distribution Volumetric Rate	\$/kW	3.8921
Regulatory Asset Recovery	\$/kW	(1.3390)
Retail Transmission Rate – Network Service Rate	\$/kW	1.6482
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7582
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 – All Rate Zones

Customer Administration		
Arrears certificate	\$	15.00
Statement of account	\$	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
Returned cheque (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
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	\$	30.00
Disconnect/Reconnect Charges - At Meter During Regular Hours	\$	65.00
Disconnect/Reconnect Charges - At Meter After Hours	\$	185.00
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

Aurora Rate Zone

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0639
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0533

Markham, Richmond Hill and Vaughan Rate Zones

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0393
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0289
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045