



**EB-2007-0590**

**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 West Perth  
Power 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**

West Perth Power Inc. (“West Perth”) is a licensed distributor providing electrical service to consumers within its licensed service area. West Perth 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.

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

West Perth's rate application was filed on the basis of the guidelines. In fixing new rates and charges for West Perth, 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).

West Perth requested an amount for smart meter costs. The Board has approved an amount of \$0.26 per month per metered customer. West Perth's variance accounts for smart meter program implementation costs, previously authorized by the Board, are continued. It is the Board's understanding that West Perth 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 West Perth'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 West Perth, and is final in all respects.
3. West Perth 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-2007-0590

April 12, 2007

ONTARIO ENERGY BOARD

# **West Perth Power 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.

##### **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.

##### **Unmetered Scattered Load**

This classification refers to an 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 and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone boots, 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 accounts that are an unmetered lighting load supplied to a sentinel light.

##### **Street Lighting**

This classification refers 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 load times the required lighting times established in the approved OEB street lighting load shape template.

# West Perth Power 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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#### MONTHLY RATES AND CHARGES

##### Residential

Service Charge	\$	12.43
Distribution Volumetric Rate	\$/kWh	0.0099
Regulatory Asset Recovery	\$/kWh	0.0029
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0057
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0084
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	\$	10.94
Distribution Volumetric Rate	\$/kWh	0.0140
Regulatory Asset Recovery	\$/kWh	0.0028
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0052
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0075
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	\$	183.54
Distribution Volumetric Rate	\$/kW	2.2889
Regulatory Asset Recovery	\$/kW	1.1847
Retail Transmission Rate – Network Service Rate	\$/kW	2.1218
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.9970
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)	\$	0.27
Distribution Volumetric Rate	\$/kW	1.4927
Regulatory Asset Recovery	\$/kW	0.0030
Retail Transmission Rate – Network Service Rate	\$/kW	1.6002
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5061
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)	\$	0.00
Distribution Volumetric Rate	\$/kW	1.6994
Regulatory Asset Recovery	\$/kW	1.0919
Retail Transmission Rate – Network Service Rate	\$/kW	1.6083
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	2.3654
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# West Perth Power Inc.

## TARIFF OF RATES AND CHARGES

### Effective May 1, 2007

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**Street Lighting**

Service Charge (per connection)	\$	0.26
Distribution Volumetric Rate	\$/kW	1.5363
Regulatory Asset Recovery	\$/kW	0.9808
Retail Transmission Rate – Network Service Rate	\$/kW	1.6002
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	2.3169
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
Returned cheque charge (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Service call – customer owned equipment	\$	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 for non payment of account - At Meter – during regular hours	\$	65.00
Disconnect/Reconnect charges for non payment of account - At Meter – after regular 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**

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0502
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0397
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A