



**EB-2007-0592**

**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 Whitby Hydro Electric Corporation 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**

Whitby Hydro Electric Corporation (“Whitby Hydro”) is a licensed distributor providing electrical service to consumers within its licensed service area. Whitby Hydro 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.

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

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

Whitby Hydro requested an amount for smart meter costs. The Board has approved an amount of \$0.28 per month per metered customer. Whitby Hydro's variance accounts for smart meter program implementation costs, previously authorized by the Board, are continued. It is the Board's understanding that Whitby Hydro 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 Whitby Hydro'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 Whitby Hydro, and is final in all respects.
3. Whitby Hydro 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-2007-0592

April 12, 2007

ONTARIO ENERGY BOARD

# Whitby Hydro Electric Company

## TARIFF OF RATES AND CHARGES

### Effective May 1, 2007

**This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors**

EB-2007-0592

#### 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 detached, semi-detached or freehold townhouse dwelling units. Energy is supplied to residential customers as single phase, three wire, 60 Hertz, having a normal voltage of 120/240 Volts up to a maximum of 200 Amps per dwelling unit.

##### **General Service Less Than 50 kW**

This classification applies to a non residential account whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW, shall include small apartment buildings and smaller commercial, industrial, and institutional developments.

##### **General Service 50 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, 50 kW but less than 5,000 kW and includes apartment buildings, and commercial, industrial, and institutional developments. Note that for the application of the Retail Transmission Rate – Network Service Rate and the Retail Transmission Rate – Line and Transformation Connection Service Rate the following sub-classifications apply:

- General Service 50 to 4,999 kW non-interval metered
- General Service 50 to 4,999 kW interval metered.

##### **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, decorative lighting, billboards, 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.

##### **Street Lighting**

This classification relates to the supply of power for street lighting installations. Street lighting design and installations shall be in accordance with the requirements of Whitby Hydro, Town of Whitby specifications and ESA. The Town of Whitby retains ownership of the street lighting system on municipal roadways.

# Whitby Hydro Electric Company

## 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	\$	16.99
Distribution Volumetric Rate	\$/kWh	0.0137
Regulatory Asset Recovery	\$/kWh	0.0024
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0064
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0056
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	\$	18.79
Distribution Volumetric Rate	\$/kWh	0.0181
Regulatory Asset Recovery	\$/kWh	0.0021
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0058
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050
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	\$	191.63
Distribution Volumetric Rate	\$/kW	3.3730
Regulatory Asset Recovery	\$/kW	0.8670
Retail Transmission Rate – Network Service Rate	\$/kW	2.3769
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.9873
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.5244
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	2.1789
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)	\$	9.97
Distribution Volumetric Rate	\$/kWh	0.0325
Regulatory Asset Recovery	\$/kWh	0.0026
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0058
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0050
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	\$	2.87
Distribution Volumetric Rate	\$/kW	7.7632
Regulatory Asset Recovery	\$/kW	3.6665
Retail Transmission Rate – Network Service Rate	\$/kW	1.8017
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5685
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Whitby Hydro Electric Company

## TARIFF OF RATES AND CHARGES

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**Street Lighting**

Service Charge (per connection)	\$	1.04
Distribution Volumetric Rate	\$/kW	4.1310
Regulatory Asset Recovery	\$/kW	2.1624
Retail Transmission Rate – Network Service Rate	\$/kW	1.7926
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5363
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**

<b>Customer Administration</b>		
Arrears certificate	\$	15.00
Statement of Account	\$	15.00
Pulling post dated cheques	\$	15.00
Easement Letter	\$	15.00
Account history	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned cheque charge (plus bank charges)	\$	15.00
Special meter reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
<b>Non-Payment of Account</b>		
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 Charge at meter – during regular Hours	\$	65.00
Disconnect/Reconnect Charge at meter – after regular hours	\$	185.00
Disconnect/Reconnect Charge at pole – during regular hours	\$	185.00
Disconnect/Reconnect Charge at pole – after hours	\$	415.00
Install/Remove load control device – during regular hours	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00
Service call – customer-owned equipment	\$	30.00
Service call – after regular hours	\$	165.00
Temporary service install & remove – overhead – no transformer	\$	500.00
Temporary service install & remove – underground – no transformer	\$	300.00
Temporary service install & remove – overhead – with transformer	\$	1,000.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
<b>Allowances</b>		
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	1.0601
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0495
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A