



Corporate Services Department

February 2, 2005

Mr. John Zych
Board Secretary
Ontario Energy Board
Box 2319, 2300 Yonge Street
26th Floor
Toronto, ON M4P 1E4

Dear Mr. Zych:

Re: Re: Submission on 2006 Draft Electricity Distribution Rate Handbook, RP-2004-0188

The Regional Municipality of York (York Region) would like to thank the Ontario Energy Board (OEB) for the opportunity to provide comments on the 2006 Draft Electricity Distribution Rate Handbook, RP-2004-0188, as per the Procedural Order No 4. This letter serves to affirm the proposed interim solution presented in Section 10.2, clarify the treatment of street and traffic lights under the definition given in Part 1 and Part 2, and present modifications to the Part 2 definition to address the unique billing practices we encounter for street lights and traffic signals.

We are pleased to see the OEB is taking steps to address the variability in the application of customer service charges to unmetered loads through the proposed interim solution outlined in Section 10.2. In brief, the interim solution provides two options for treatment of customer service charges, as outlined in Part 1 and Part 2 of Section 10.2.

As noted in our letter dated December 20, 2004, there are significant inconsistencies in the application of customer service charges to street and traffic lighting accounts by LDC's serving York Region. The interim solution presented in Section 10.2 does not provide a full remedy to address the variability in the treatment of our street lights and traffic signals. Thus, we have expanded Section 10.2 Part 2 below in order to ensure all unmetered loads are addressed in the interim solution. Moreover, we have clarified the treatment of traffic signals and street lights by LDC's serving York Region under the interim solution.

We feel that Section 10.2 Part 2 should be expanded in two ways as follows:

1. The application of any monthly service charge on a per connection point basis, not just the General Service <50kW monthly service charges, should warrant inclusion under Part 2.
2. An LDC applying elevated distribution rates in place of monthly service charges should reduce these to the General Service <50kW distribution rates.

PowerStream serves the Town of Markham, the Town of Richmond Hill, and the City of Vaughan, however, unmetered scattered loads are treated differently in each of these municipalities. For clarity purposes, we refer to PowerStream Markham, PowerStream Richmond Hill, and PowerStream Vaughan below when explaining billing practices.

Aurora Hydro and PowerStream Richmond Hill apply a General Service <50kW monthly service charge on a per connection basis where a connection consists of either a group of street lights, a set of traffic signals, or a set of traffic signals and nearby street lights which is consistent with Part 2.

PowerStream Markham treats street lights and traffic signals differently. Their treatment of traffic signals is consistent with Part 1 as one General Service <50kW charge is applied for all connections. For street lights, monthly service charges are applied on a per luminaire basis which we feel warrants inclusion under Part 2.

PowerStream Vaughan also treats street lights separate from traffic signals. Their treatment of street lights is identical to that of PowerStream Markham. However, for traffic signals a General Service <50kW monthly service charge is applied for each location. Thus, their treatment of both unmetered street and traffic lights is consistent with Part 2.

Currently Hydro One does not apply a customer service charge for unmetered scattered loads, but rather has an elevated distribution rate. The proposed modification to Part 2 would see this rate replaced by a General Service <50kW distribution rate.

While the proposed interim solution partially addresses the issue of customer service charge application, ultimately we would like to see in 2007, following cost allocation and rate re-design, just one monthly service charge equal to the small commercial service charge applied to all unmetered locations by each distributor.

Thank you for allowing York Region the opportunity to provide the above comments.

Sincerely,



Barry Crowe
Director, Property Services

TF/MJ

Copy to: Keith Ritchie, Project Advisor, Ontario Energy Board
Tracey Forrest, Program Manager, Energy Management