



EB-2007-0753

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 Norfolk
Power Distribution Inc. for an order approving or fixing
just and reasonable rates and other charges for the
distribution of electricity to be effective May 1, 2008.

BEFORE: Paul Sommerville
Presiding Member

Ken Quesnelle
Member

RATE ORDER

Norfolk Power Distribution Inc. (“Norfolk”) is a licensed distributor of electricity providing service to consumers within its licensed service area. Norfolk filed an application with the Ontario Energy 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, 2008.

The Board assigned file number EB-2007-0753 to the application and issued a Notice of Application and Hearing on December 5, 2008. The School Energy Coalition (“SEC”) and the Vulnerable Energy Consumers Coalition (“VECC”) requested and were granted intervenor status.

The Board issued an interim rates order on April 22, 2008 declaring Norfolk’s current rates interim, effective May 1, 2008, pending the issuance of final rates for 2008.

The Board issued its Decision on Norfolk's application on May 26, 2008. In the Decision, the Board ordered Norfolk to file a Draft Rate Order reflecting the Board's findings. The Board indicated that it expected Norfolk to file detailed supporting material, including all relevant calculations showing the impact of this Decision on the Company's proposed revenue requirement, the allocation of the approved revenue requirement to the customer classes and the determination of the final rates.

Norfolk filed its Draft Rate Order on June 9, 2008. SEC and VECC had the opportunity to file comments within 6 days from the date of the filing of the Draft Rate Order. The Board received a submission from Board staff on June 17, 2008 indicating that Norfolk did not reflect the findings in the Decision and did not provide the necessary justifications and explanations to adequately support the calculations provided in the draft rate order.

Norfolk responded to Board staff's submission by filing a submission on June 27, 2008 addressing the concerns raised in Board staff's submission. Norfolk did not address the issue surrounding its calculation of "Total Approved Controllable OM&A Expenses" in its submission. On July 14, 2008, Norfolk filed a letter, stating that it would resolve the omission with respect to its calculation of "Total Approved Controllable OM&A Expenses". On July 15, 2008, the Board received a final revised Draft Rate Order from Norfolk.

On August 1, 2008, the Board issued a Decision and Order, addressing special circumstances arising in the Norfolk application. The Board ordered rates effective July 1, 2008, to be implemented on September 1, 2008.

As a result of this approval there is a period of time starting on July 1, 2008 and concluding August 31, 2008 that Norfolk will have charged customers according to its currently approved rates rather than the Board approved 2008 rates. The Board indicated it was prepared to accept rate riders, filed with appropriate justification that would adequately recover the foregone revenues during that period.

On August 8, 2008, Norfolk filed the proposed rate riders. The Board has accepted the calculations and has approved the inclusion of these rate riders to collect, on a going forward basis, the foregone revenues from July 1, 2008 to August 31, 2008 inclusive. These riders will take effect on September 1, 2008 and end on April 30, 2009.

On August 8, 2008, Norfolk also removed its proposed rate rider for Account 1550 due to the immaterial impact on a consumer's bill. Account 1550 is ongoing and the amounts will be carried forward into future proceedings. The Board accepts the removal of this rate rider.

On August 11, 2008, VECC made a submission proposing that Norfolk should remove any amount related to Smart Meters from the revenue deficiency calculation used to determine the rate riders, and place it in the Smart Meter Variance Account. On August 19, 2008, Norfolk filed a letter stating that it would track the smart meter amounts related to the deficiency calculation as part of a variance account. The Board is satisfied with this treatment.

The Board is satisfied that the submitted material and the proposed Tariff of Rates and Charges finally filed by Norfolk accurately reflect the Board's Decision.

For completeness of the regulated charges, the Board has included in the Tariff of Rates and Charges the charges pertaining to services provided to retailers or consumers regarding the supply of competitive electricity, which are referenced in Chapter 12 of the 2006 Electricity Distribution Rate Handbook.

THE BOARD ORDERS THAT:

1. The Tariff of Rates and Charges set out in Appendix "A" of this Rate Order is approved, effective July 1, 2008 but implemented September 1, 2008 for electricity consumed or estimated to have been consumed on and after September 1, 2008.
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 Norfolk Power Distribution Inc. and is final in all respects.
3. Norfolk Power Distribution Inc. shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

DATED at Toronto, August 22, 2008

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

Appendix “A”

To The Rate Order Arising from Decision

EB-2007-0753

Norfolk Power Distribution Inc.

August 22, 2008

Norfolk Power Distribution Inc.

TARIFF OF RATES AND CHARGES

Effective July 1, 2008

Implementation September 1, 2008

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

EB-2007-0753

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).

IMPLEMENTATION DATES

DISTRIBUTION RATES – September 1, 2008 for all consumption or deemed consumption services used on or after that date.
SPECIFIC SERVICE CHARGES – September 1, 2008 for all charges incurred by customers on or after that date.
RETAIL SERVICE CHARGES – September 1, 2008 for all charges incurred by retailers or customers on or after that date.
LOSS FACTOR ADJUSTMENT – September 1, 2008 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 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 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 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 accounts that are 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 connected load times the required lighting times established in the approved OEB street lighting load shape template.

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MONTHLY RATES AND CHARGES**Residential**

Service Charge	\$	21.91
Foregone Distribution Revenue Rate Rider – effective until April 30, 2009	\$	0.86
Distribution Volumetric Rate	\$/kWh	0.0198
Foregone Distribution Revenue Rate Rider – Volumetric Rate – effective until April 30, 2009	\$/kWh	0.0007
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0044
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0044
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	\$	50.33
Foregone Distribution Revenue Rate Rider – effective until April 30, 2009	\$	2.15
Distribution Volumetric Rate	\$/kWh	0.0145
Foregone Distribution Revenue Rate Rider – Volumetric Rate – effective until April 30, 2009	\$/kWh	0.0007
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0040
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0039
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	\$	243.37
Foregone Distribution Revenue Rate Rider – effective until April 30, 2009	\$	5.90
Distribution Volumetric Rate	\$/kW	3.8907
Foregone Distribution Revenue Rate Rider – Volumetric Rate – effective until April 30, 2009	\$/kW	0.2183
Retail Transmission Rate – Network Service Rate	\$/kW	1.6462
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5469
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)	\$	26.33
Foregone Distribution Revenue Rate Rider – effective until April 30, 2009	\$	1.40
Distribution Volumetric Rate	\$/kWh	0.0155
Foregone Distribution Revenue Rate Rider – Volumetric Rate – effective until April 30, 2009	\$/kWh	0.0010
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0040
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0039
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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Sentinel Lighting

Service Charge (per connection)	\$	4.90
Foregone Distribution Revenue Rate Rider – effective until April 30, 2009	\$	0.88
Distribution Volumetric Rate	\$/kW	12.2817
Foregone Distribution Revenue Rate Rider – Volumetric Rate – effective until April 30, 2009	\$/kW	2.2260
Retail Transmission Rate – Network Service Rate	\$/kW	1.2478
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2209
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)	\$	1.60
Foregone Distribution Revenue Rate Rider – effective until April 30, 2009	\$	0.22
Distribution Volumetric Rate	\$/kW	5.6166
Foregone Distribution Revenue Rate Rider – Volumetric Rate – effective until April 30, 2009	\$/kW	0.8035
Retail Transmission Rate – Network Service Rate	\$/kW	1.2416
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1959
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
Statement of account	\$	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
Notification Charge	\$	15.00
Account History	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque charge (plus bank charges)	\$	15.00
Charge to certify cheque	\$	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
Collection of account charge - no disconnection - after regular hours	\$	165.00
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

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		EB-2007-0753
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
Specific Charge for Access to the Power Poles (\$/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)

Retail Service Charges (if applicable)

Retail Service Charges refer to services provided by a distributor to retailers or customers related to the supply of competitive electricity

One-time charge, per retailer, to establish the service agreement between the distributor and the retailer	\$	100.00
Monthly Fixed Charge, per retailer	\$	20.00
Monthly Variable Charge, per customer, per retailer	\$/cust.	0.50
Distributor-consolidated billing charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing credit, per customer, per retailer	\$/cust.	(0.30)
Service Transaction Requests (STR)		
Request fee, per request, applied to the requesting party	\$	0.25
Processing fee, per request, applied to the requesting party	\$	0.50
Request for customer information as outlined in Section 10.6.3 and Chapter 11 of the Retail Settlement Code directly to retailers and customers, if not delivered electronically through the Electronic Business Transaction (EBT) system, applied to the requesting party		
Up to twice a year		no charge
More than twice a year, per request (plus incremental delivery costs)	\$	2.00

LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0560
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0454
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A