



**EB-2008-0194**

**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 Middlesex Power Distribution Corporation for an order or orders approving or fixing just and reasonable distribution rates and other charges, to be effective May 1, 2009.

**BEFORE:** Paul Vlahos  
Presiding Member

Ken Quesnelle  
Member

## **DECISION AND ORDER**

### **Introduction**

Middlesex Power Distribution Corporation (“Middlesex”) is a licensed distributor of electricity providing service to consumers within its licensed service area. Middlesex 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, 2009.

Middlesex is one of about 80 electricity distributors in Ontario that are regulated by the Board. In 2006, the Board announced the establishment of a multi-year electricity distribution rate-setting plan for the years 2007-2010. As part of the plan, Middlesex is one of the electricity distributors to have its rates adjusted for 2009 on the basis of the 2<sup>nd</sup> Generation Incentive Rate Mechanism (“IRM”) process, which provides for a

mechanistic and formulaic adjustment to distribution rates and charges between cost of service applications.

To streamline the process for the approval of distribution rates and charges for 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. Among other things, the Report contained the relevant guidelines for 2009 rate adjustments (the "Guidelines") for distributors applying for distribution rate adjustments pursuant to the IRM process.

Notice of Middlesex's rate application was given through newspaper publication in Middlesex's service area advising of the availability of the rate application and advising how interested parties may intervene in the proceeding or comment on the application. There were no intervention requests and no comments were received. The Board proceeded by way of a written hearing.

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.

### **Price Cap Index Adjustment**

Middlesex's rate application was filed on the basis of the Guidelines. In fixing new distribution rates and charges for Middlesex, the Board has applied the policies described in the Report.

As outlined in the Report, distribution rates under the 2<sup>nd</sup> Generation IRM are to be adjusted by a price escalator less a productivity factor (X-factor) of 1.0%. Based on the final 2008 data published by Statistics Canada, the Board has established the price escalator to be 2.3%. The resulting price cap index adjustment is therefore 1.3%. The rate model was adjusted to reflect the newly calculated price cap adjustment. This price cap index adjustment applies to distribution rates (fixed and variable charges) uniformly across all customer classes. An adjustment for the transition to a common deemed capital structure of 60% debt and 40% equity was also effected where applicable. In addition, a change in the federal income tax rate effective January 1, 2009 was incorporated into the rate model and reflected in distribution rates.

On December 13, 2007, the Ontario government introduced its 2007 Ontario Economic Outlook and Fiscal Review (the “Fiscal Review”). The enabling legislation received Royal Assent on May 14, 2008. Included in this Fiscal Review were changes to the Ontario capital tax provisions<sup>1</sup>, and an increase in the small business income limit from \$400,000 to \$500,000 effective January 1, 2007.

The Federal Budget enacted on February 3, 2009 included an increase in the small business income limit from \$400,000 to \$500,000 effective January 1, 2009, and a change in the capital cost allowance (CCA) applicable to certain computer equipment and related system software (CCA class 50) acquired between January 27, 2009 and February 2011.

The Board has considered these fiscal changes and determined that the rate model will be adjusted to reflect the increase in the provincial and federal small business income limit for affected distributors, and the changes in the Ontario capital tax provisions. The Board is of the view that these changes when combined could be material, and should be passed through to ratepayers. With regard to the change in the CCA, the Board notes that this change would be captured in the revenue requirement calculation as it relates to smart meters when a distributor applies for cost recovery for the applicable investment period. For other computer equipment and related system software in class 50, the Board concludes that this adjustment is not required since it does not appear to be material.

The price cap index adjustment does not apply to the following components of distribution rates:

- Rate Riders;
- Retail Transmission Service Rates;
- Wholesale Market Service Rate;
- Rural Rate Protection Charge;
- Standard Supply service – Administrative Charge;
- Transformation and Primary Metering Allowances;
- Retail Service Charges;
- Loss Factors; and
- Smart Meter Funding Adder.

---

<sup>1</sup> The Ontario capital tax rate decreased from 0.285% to 0.225% effective January 1, 2007. The Ontario capital tax deduction also increased from \$10 million to \$12.5 million effective January 1, 2007, and from \$12.5 million to \$15

## **Rural or Remote Electricity Rate Protection Adjustment**

In accordance with Ontario Regulation 442/01, Rural or Remote Electricity Rate Protection (“RRRP”) (made under the *Ontario Energy Board Act, 1998*) the Board issued a Decision on December 17, 2008 setting out the amount to be charged by the Independent Electricity System Operator (“IESO”) with respect to the RRRP for each kilowatt-hour of electricity that is withdrawn from the IESO-controlled grid.

In a letter dated December 17, 2008 the Board directed distributors that had a rate application before the Board to file a request with the Board that the RRRP charge in their tariff sheet be revised to 0.13 cent per kilowatt-hour effective May 1, 2009.

Middlesex complied with this directive. The rate model was adjusted to reflect the new RRRP charge.

## **Smart Meter Funding Adder**

On October 22, 2008 the Board issued a Guideline for Smart Meter Funding and Cost Recovery (“Smart Meter Guideline”) which sets out the Board’s filing requirements in relation to the funding of, and the recovery of costs associated with, smart meter activities conducted by electricity distributors.

As set out in the Smart Meter Guideline, a distributor that plans to implement smart meters in the rate year must include, as part of the application, evidence that the distributor is authorized to conduct smart meter activities in accordance with applicable law.

Middlesex is authorized to conduct smart meter activities because its service area is identified as a priority installation by O. Reg. 428/06.

Middlesex requested the continuation of the smart meter funding adder previously approved by the Board in order to provide funding for possible future implementation of smart meter costs and to minimize future rate impacts. The Board-approved funding adder for Middlesex of \$1.26 per metered customer per month shall continue. Middlesex’s variance accounts for smart meter program implementation costs, as previously authorized by the Board, shall also be continued.

In its EB-2007-0867 Decision dated March 17, 2008, the Board approved a smart meter disposition rider of \$1.23 per metered customer per month for residential smart meter installation up to April 30, 2007. The disposition rider was effective May 1, 2008 and would be in place until such time that Middlesex's distribution rates are rebased. Similarly, in its EB-2008-0155 Decision and Order dated November 25, 2008, the Board approved a smart meter disposition rider of \$0.77 per metered customer per month for smart meters installed from May 1 to December 31, 2007. The disposition rider will be effective from May 1, 2009 until such time that Middlesex's distribution rates are rebased. These disposition riders are reflected in the Tariff of Rates and Charges that is appended to this Decision and Order.

The Board notes that the smart meter funding adder of \$1.26 per metered customer per month is intended to provide funding for Middlesex's smart metering activities in the 2009 rate year. The Board has not made any finding on the prudence of the proposed smart meter activities, including any costs for smart meters or advanced metering infrastructure whose functionality exceeds the minimum functionality adopted in O. Reg. 425/06, or costs associated with functions for which the Smart Metering Entity has the exclusive authority to carry out pursuant to O. Reg. 393/07. Such costs will be considered at the time that Middlesex applies for the recovery of these costs.

### **Retail Transmission Service Rates**

On October 22, 2008 the Board issued a Guideline for *Electricity Distribution Retail Transmission Service Rates* ("RTSR Guideline") which provides electricity distributors with instructions on the evidence needed, and the process to be used, to adjust Retail Transmission Service Rates ("RTSRs") to reflect changes in the Ontario Uniform Transmission Rates ("UTRs").

On August 28, 2008, the Board issued its Decision and Rate Order in proceeding EB-2008-0113, setting new UTRs for Ontario transmitters, effective January 1, 2009. The Board approved an increase of 11.3% to the wholesale transmission network rate, an increase of 18.6% to the wholesale transmission line connection rate, and an increase of 0.6% to the wholesale transformation connection rate. The combined change in the wholesale transmission and transformation connection rates is an increase of about 5%.

Electricity distributors are charged the UTRs at the wholesale level and subsequently pass these charges on to their distribution customers through the RTSRs. There are two RTSRs, whereas there are three UTRs. The two RTSRs are for network and connection. The wholesale line and transformation connection rates are combined into one retail connection service charge. Deferral accounts are also used to capture timing differences and differences in the rate that a distributor pays for wholesale transmission service compared to the retail rate that the distributor is authorized to charge when billing its customers (i.e., deferral accounts 1584 and 1586).

In the RTSR Guideline the Board directed all electricity distributors to propose an adjustment to their RTSRs to reflect the new UTRs for Ontario transmitters effective January 1, 2009. The objective of resetting the rates was to minimize the prospective balances in deferral accounts 1584 and 1586.

Middlesex proposed to increase its RTSR – Network Service Rates by 11.3 % and to increase its RTSR – Line and Transformation Connection Service Rates by 5.5%. The Board finds that this approach is reasonable and therefore approves these adjustments.

## **Tier 2 Adjustments**

As part of the 2006 electricity distribution rate adjustment process (“2006 EDR”), Middlesex sought to include amounts for Capital and Operation and Maintenance programs as Tier 2 adjustments. The 2006 Electricity Distribution Rate Handbook, which sets out the Board’s process for the 2006 EDR, indicates that the purpose of Tier 2 adjustments was to restore both capital investments not made, and distribution expenses not incurred, due to an applicant beginning the 1999 rate unbundling process with negative returns and/or an applicant not receiving the second third of the market-adjusted revenue requirement increment. In its 2006 EDR application, Middlesex proposed certain Tier 2 adjustments. In the 2006 EDR Decision and Order<sup>2</sup> for Middlesex, the Board stated the following:

*“The Board has reviewed the proposed Tier 2 plans and finds that they are reasonable. The Board approves the 2006 revenue requirement and rate consequences of the Tier 2 plans, specifically the Operation and Maintenance budget of \$134,600 and Capital budget of \$600,000 for 2006. However, the Board particularly notes for the Applicant’s attention that the Board’s approval of*

---

<sup>2</sup> RP-2005-0020/EB-2005-0351 Decision and Order dated April 12, 2006.

*the cost consequences of the Tier 2 plan extends only to the 2006 rate year. The Board makes no findings regarding the spending plan and rate consequences beyond 2006.”*

The Operation and Maintenance of \$134,600 consisted of \$50,000 in PCB Elimination and \$84,600 in Distribution Station Maintenance and Over Head Line Maintenance.

The approved Tier 2 adjustments were included in 2006 distribution rates as a rate adder. The rate adder continued in 2007 and 2008 distribution rates. In this current application, Middlesex applied to discontinue the Tier 2 adjustment rate adder effective May 1, 2009.

In its submission, Board staff observed that it would appear that the Board approved the Tier 2 adjustments related to the OM&A for the 2006 rate year only. Board staff noted that Middlesex acknowledged that OM&A expenses should have been charged for the 2006 rate year only:

*“In providing the Tier 2 monitoring reports it had come to our attention that the Tier 2 adjustment was only approved for the one year therefore, we are submitting in the current rate application that the Tier 2 adjustment either approved for the other 2 years or refund the customers.”*

Board staff also submitted that were the Board to find that the amounts collected relating to the Tier 2 adjustments be returned to ratepayers, it would be appropriate to return the amount to Middlesex’s ratepayers over two years.

In its reply submission, Middlesex stated that the continuation of the Tier 2 rate adder in 2007 and 2008 rates was an oversight but the Board should not retroactively adjust final rate orders. Middlesex also submitted that it has made significant investments in fixed assets of the distribution system with the revenue from the Tier 2 rates and the general rates such that the reliability and efficiency of the distribution system has improved. Middlesex indicated that were the Board to find that some of the OM&A amounts collected in 2007 and 2008 be returned to customers, a 50/50 sharing would be fair for all parties.

What the Board needs to determine is whether the funds collected from the Tier 2 adjustment as it relates to OM&A in 2007 and 2008 should be returned to Middlesex’s ratepayers.

The Board's 2006 Decision was clear that the rate adder was to be applied for only the 2006 rate year. It would be within the Board's powers to order a refund of the full \$134,600 amount for each of 2007 and 2008 rate year.

The Board notes that Middlesex has made significant investments in fixed assets to improve the reliability and efficiency of the distribution system. In its reply submission, Middlesex indicated that, in total, the fixed asset investments were approximately \$1.5 million more than depreciation. Line loss reductions also resulted from these investments.

In the circumstances, the Board accepts Middlesex's proposed alternative to refund half of the 2007 and 2008 amounts, or \$134,600. The Board directs Middlesex to refund \$134,600 by means of a rate rider over a two-year period. The rate rider is reflected in the Tariff of Rates and Charges that is appended to this Decision and Order.

The Board is providing Middlesex with a rate model (spreadsheet) and a draft Tariff of Rates and Charges (Appendix A) that reflects the elements of this Decision. The Board has also made adjustments to the model to ensure that entries are consistent with the 2008 Board approved Tariff of Rates and Charges.

**The Board Orders That:**

Middlesex's new distribution rates will be effective May 1, 2009. The Board orders that:

1. Middlesex shall review the draft Tariff of Rates and Charges set out in Appendix A. Middlesex shall file with the Board a written confirmation assessing the completeness and accuracy of the draft Tariff of Rates and Charges, or provide a detailed explanation of any inaccuracies or missing information, within seven (7) calendar days of the date of this Decision and Order.

If the Board does not receive a submission by Middlesex to the effect that inaccuracies were found or information was missing pursuant to item 1 of this Decision and Order:

2. The draft Tariff of Rates and Charges set out in Appendix A of this Order will become final, effective May 1, 2009, and will apply to electricity consumed or estimated to have been consumed on and after May 1, 2009.



3. The Tariff of Rates and Charges set out in Appendix A of this Order shall supersede all previous distribution rate schedules approved by the Board for Middlesex and is final in all respects.
4. Middlesex shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

If the Board receives a submission by Middlesex to the effect that inaccuracies were found or information was missing pursuant to item 1 of this Decision and Order, the Board will consider the submission of Middlesex and will issue a final Tariff of Rates and Charges.

**DATED** at Toronto, March 19, 2009.

ONTARIO ENERGY BOARD

*Original signed by*

Kirsten Walli  
Board Secretary

**Appendix “A”**

**To Decision and Order**

**Middlesex Power Distribution Corporation**

**EB-2008-0194**

**March 19, 2009**

# Middlesex Power Distribution Corp.

## TARIFF OF RATES AND CHARGES

### Effective May 1, 2009

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

EB-2008-0194

#### 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, 2009 for all consumption or deemed consumption services used on or after that date.

SPECIFIC SERVICE CHARGES – May 1, 2009 for all charges incurred by customers on or after that date.

RETAIL SERVICE CHARGES – May 1, 2009 for all charges incurred by retailers or customers on or after that date.

LOSS FACTOR ADJUSTMENT – May 1, 2009 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 applies to an account taking electricity at 750 volts or less and includes:

All services supplied to single-family dwelling units for domestic or household purposes,

All multi-unit residential establishments such as apartments of 6 or less units.

If a service supplies a combination of residential and commercial load and wiring does not permit separate metering, the classification of this customer will be determined individually by the distributor.

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

This classification applies to a non residential account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and includes multi-unit residential establishments such as apartment buildings supplied through one service (bulk-metered).

##### **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. 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 5,000 kW non-interval metered

General Service 50 to 5,000 kW interval metered

##### **Large Use**

This classification applies to an account whose average monthly maximum demand used for billing purposes over the most recent 12 consecutive months is equal to or greater than, or is forecast to be equal to or greater than, 5,000 kW.

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

This classification applies to an account taking electricity at 750 volts or less 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, 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 applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting, 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.

# Middlesex Power Distribution Corp.

## TARIFF OF RATES AND CHARGES

### Effective May 1, 2009

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

EB-2008-0194

#### MONTHLY RATES AND CHARGES

##### Residential

Service Charge	\$	15.10
Smart Meter Disposition Rider 2 – effective until next cost of service application	\$	1.23
Smart Meter Disposition Rider 3 – effective until next cost of service application	\$	0.77
Service Charge Rate Rider for Tier 2 Recovery – effective until April 30, 2011	\$	(0.35)
Distribution Volumetric Rate	\$/kWh	0.0143
Distribution Volumetric Rate Rider for Tier 2 Recovery – effective until April 30, 2011	\$/kWh	(0.0004)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0050
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0045
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

##### General Service Less Than 50 kW

Service Charge	\$	19.55
Smart Meter Disposition Rider 2 – effective until next cost of service application	\$	1.23
Smart Meter Disposition Rider 3 – effective until next cost of service application	\$	0.77
Service Charge Rate Rider for Tier 2 Recovery – effective until April 30, 2011	\$	(0.46)
Distribution Volumetric Rate	\$/kWh	0.0050
Distribution Volumetric Rate Rider for Tier 2 Recovery – effective until April 30, 2011	\$/kWh	(0.0001)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0046
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

##### General Service 50 to 4,999 kW

Service Charge	\$	44.96
Smart Meter Disposition Rider 2 – effective until next cost of service application	\$	1.23
Smart Meter Disposition Rider 3 – effective until next cost of service application	\$	0.77
Service Charge Rate Rider for Tier 2 Recovery – effective until April 30, 2011	\$	(1.11)
Distribution Volumetric Rate	\$/kW	1.5494
Distribution Volumetric Rate Rider for Tier 2 Recovery – effective until April 30, 2011	\$/kW	(0.0404)
Retail Transmission Rate – Network Service Rate	\$/kW	1.8390
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6055
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.0416
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.8075
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

##### Large Use

Service Charge	\$	3,691.38
Smart Meter Disposition Rider 2 – effective until next cost of service application	\$	1.23
Smart Meter Disposition Rider 3 – effective until next cost of service application	\$	0.77
Service Charge Rate Rider for Tier 2 Recovery – effective until April 30, 2011	\$	(93.55)
Distribution Volumetric Rate	\$/kW	0.1840
Distribution Volumetric Rate Rider for Tier 2 Recovery – effective until April 30, 2011	\$/kW	(0.0056)
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.1627
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	2.0127
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

# Middlesex Power Distribution Corp.

## TARIFF OF RATES AND CHARGES

### Effective May 1, 2009

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

EB-2008-0194

#### Unmetered Scattered Load

Service Charge (per connection)	\$	9.15
Service Charge Rate Rider for Tier 2 Recovery – effective until April 30, 2011	\$	(0.23)
Distribution Volumetric Rate	\$/kWh	0.0055
Distribution Volumetric Rate Rider for Tier 2 Recovery – effective until April 30, 2011	\$/kWh	(0.0001)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0046
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0040
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

#### Sentinel Lighting

Service Charge (per connection)	\$	0.18
Distribution Volumetric Rate	\$/kW	1.0753
Distribution Volumetric Rate Rider for Tier 2 Recovery – effective until April 30, 2011	\$/kW	(0.0273)
Retail Transmission Rate – Network Service Rate	\$/kW	1.3939
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2672
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

#### Street Lighting

Service Charge (per connection)	\$	0.14
Distribution Volumetric Rate	\$/kW	0.6611
Distribution Volumetric Rate Rider for Tier 2 Recovery – effective until April 30, 2011	\$/kW	(0.0168)
Retail Transmission Rate – Network Service Rate	\$/kW	1.3867
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2412
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

#### Specific Service Charges

Customer Administration		
Arrears certificate	\$	15.00
Easement letter	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned cheque (plus bank charges)	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	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
Disconnect/Reconnect Charge - At Meter During Regular Hours	\$	65.00
Temporary service install & remove – overhead – no transformer	\$	500.00
Specific charge for access to the power poles – per pole/year	\$	22.35
Switching for company maintenance – Charge based on Time and Materials	\$	
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)

**Middlesex Power Distribution Corp.**  
**TARIFF OF RATES AND CHARGES**  
**Effective May 1, 2009**

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

EB-2008-0194

**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	1.0608
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0145
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0501
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0045