



EB-2007-0776

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 Newmarket-Tay Power Distribution Ltd. for an Order or Orders approving just and reasonable rates and other service charges for the distribution of electricity within its Newmarket Service Area, as of the date of the Ontario Energy Board's Rate Order.

BEFORE: Paul Vlahos
Presiding Member

Cynthia Chaplin
Member

DECISION AND ORDER

Newmarket – Tay Power Distribution Limited (“Newmarket” or the “Applicant”) filed an application with the Ontario Energy Board under section 78 of the *Ontario Energy Board Act, 1998*, seeking approval for changes to the rates that Newmarket charges for electricity distribution within its Newmarket Service Area, to be effective as of the date of the Ontario Energy Board's Rate Order. The application was received on July 4, 2008 and the Board has assigned the application File Number EB-2007-0776.

The Proceeding

The Board issued a Notice of Application and Hearing on July 21, 2008.

Energy Probe Research Foundation (“Energy Probe”), the School Energy Coalition (“SEC”) and the Vulnerable Energy Consumers Coalition (“VECC”) were granted intervenor status in this proceeding.

As part of its application, Newmarket requested that the Board immediately approve on an interim basis its proposal to revise and reduce the Applicant's Retail Transmission Network Service and Connection rates. On August 19, 2008, the Board issued its Decision and Procedural Order No. 1 in which it ordered that, with the exception of Newmarket's Retail Transmission Service Network and Connection rates for the Newmarket Service Area, the current rates be declared interim, effective on August 19, 2008. In addition, it ordered that the Retail Transmission Service Network and Connection rates proposed by the Applicant be approved on an interim basis, effective August 19, 2008.

Interrogatories from Board staff and intervenors were filed on September 12, 2008 and responses were to have been filed by the Applicant by October 3, 2008. The responses were filed on December 23, 2008. Procedural Order No. 2 was issued on January 30, 2009 in which the Board scheduled a Technical Conference for March 17, 2009 and ordered that a Settlement Conference would follow immediately afterward. The Settlement Conference was held on March 17th and 18th.

On April 9, 2009, Newmarket filed a proposed Settlement Agreement with the Board (the "Agreement") which represents a complete settlement of all of the issues by the parties.

Findings

The Board has examined the Agreement and accepts the terms of the Agreement as filed by the parties and the impact on the rates charged by the Applicant in its Newmarket Service Area, with the following comments. The Board reminds parties that terms contained in a settlement agreement do not create a precedent for the Board. In particular, with respect to Smart Meters, the Board refers the Applicant to the Board's Guideline G-2008-0002, issued on October 22, 2008, in relation to the funding of, and the recovery of costs associated with, smart meter activities conducted by electricity distributors. The Board also notes that this settlement agreement applies to only the rates for the Newmarket Service Area and the rates for the Applicant's Tay Service Area remain unchanged from the Board's Decision issued April 12, 2007 (EB-2007-0578).

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 commends all the parties on achieving settlement of all the issues.

The Board has prepared a draft Tariff of Rates and Charges (Appendix A) that reflects the Agreement. The new distribution rates for the Newmarket Service Area will be effective May 1, 2009.

THE BOARD ORDERS THAT:

1. Newmarket shall review the draft Tariff of Rates and Charges set out in Appendix A. Newmarket shall file with the Board within seven calendar days of the date of this Decision and Order a written confirmation of the completeness and accuracy of the draft Tariff of Rates and Charges, or provide a detailed explanation of any inaccuracies or missing information.
2. If the Board does not receive a submission from Newmarket to the effect that inaccuracies were found or information was missing pursuant to item 1 above, the draft Tariff of Rates and Charges set out in Appendix A will become final, and will apply to electricity consumed or estimated to have been consumed on and after May 1, 2009. The Tariff of Rates and Charges shall supersede all previous distribution rate schedules approved by the Board for Newmarket – Tay Power Distribution Ltd., and is final in all respects.
3. If the Board receives a submission by Newmarket to the effect that inaccuracies were found or information was missing pursuant to item 1 above, the Board will consider the submission of Newmarket and will issue a final Tariff of Rates and Charges.
4. Newmarket shall notify customers within its Newmarket Service Area of the rate changes no later than with the first bill reflecting the new rates.

Cost Awards

The Board may grant cost awards to eligible stakeholders pursuant to its power under section 30 of the *Ontario Energy Board Act, 1998*. When determining the amount of the cost awards, the Board will apply the principles set out in section 5 of the Board's Practice Direction on Cost Awards. The maximum hourly rates set out in the Board's Cost Awards Tariff will also be applied.

Energy Probe, SEC and VECC shall file with the Board and forward to the Applicant their respective cost claims within 21 days from the date of this Decision.

Newmarket shall file with the Board and forward to Energy Probe, SEC and VECC any objections to the claimed costs within 28 days from the date of this Decision.

Energy Probe, SEC and VECC shall file with the Board and forward to Newmarket any responses to any objections for cost claims within 35 days of the date of this Decision.

Newmarket shall pay the cost claims of the intervenors awarded by the Board upon receipt of the Board's Decision on Cost Awards.

Newmarket shall pay the Board's costs incidental to this proceeding upon receipt of the Board's invoice.

All filings with the Board must quote the file number EB-2007-0776, and be made through the Board's web portal at www.errr.oeb.gov.on.ca, and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must be received by the Board by 4:45 p.m. on the stated date. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.oeb.gov.on.ca. If the web portal is not available you may e-mail your documents to the attention of the Board Secretary at BoardSec@oeb.gov.on.ca. All other filings not filed via the Board's web portal should be filed in accordance with the Board's Practice Directions on Cost Awards.

DATED at Toronto, April 23, 2009

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

Appendix A

To the Decision and Order

Newmarket – Tay Power Distribution Ltd.

EB-2007-0776

April 23, 2009

Newmarket – Tay Power Distribution Ltd.

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-2007-0776
EB-2007-0578

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 refers to a service which is less than 50 kW supplied to single-family dwelling units that is for domestic or household purposes, including seasonal occupancy. At the distributor's discretion, residential rates may be applied to apartment buildings with 6 or less units by simple application of the residential rate or by blocking the residential rate by the number of units.

General Service Less Than 50 kW

This classification refers to any service supplied to premises other than those designated as Residential and whose average monthly maximum demand over the past twelve months is less than 50 kW. This includes multi-unit residential establishments such as apartment buildings supplied through one service (bulk metered). For new customers without prior billing history, the peak demand will be based on 90% of the proposed capacity or installed transformer.

General Service 50 to 4,999 kW

This classification refers to all non-residential customers whose average monthly maximum demand used for billing purposes over the past twelve months is equal to or greater than 50 kW but less than 5,000 kW. For new customers without prior billing history, the peak demand will be based on 90% of the proposed capacity or installed transformer.

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 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 an unmetered lighting load supplied to a sentinel light. The distributor will not install any new sentinel lights.

Street Lighting

All services supplied to street lighting equipment owned by or operated for the Town of Newmarket, Township of Tay, the Town of East Gwillimbury or the Province of Ontario shall be classified as Street Lighting Service. This classification refers to roadway and sidewalk lighting operations, controlled by photoelectric 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.

Newmarket – Tay Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

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EB-2007-0776
EB-2007-0578

Newmarket Service Area

Per EB-2007-0776 Decision

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	14.06
Service Charge Tax Change Rate Rider – effective until April 30, 2010	\$	(0.01)
Distribution Volumetric Rate	\$/kWh	0.0136
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2010	\$/kWh	0.0025
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0054
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0048
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	\$	25.82
Service Charge Tax Change Rate Rider – effective until April 30, 2010	\$	(0.03)
Distribution Volumetric Rate	\$/kWh	0.0159
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2010	\$/kWh	0.0012
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043
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	\$	157.81
Service Charge Tax Change Rate Rider – effective until April 30, 2010	\$	(0.16)
Distribution Volumetric Rate for non-interval metered customers	\$/kW	4.3252
Distribution Volumetric Rate for interval metered customers	\$/kW	4.4462
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2010	\$/kW	0.1401
Distribution Volumetric Tax Change Rate Rider – effective until April 30, 2010	\$/kW	(0.0043)
Retail Transmission Rate – Network Service Rate	\$/kW	1.9923
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.7038
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Unmetered Scattered Load

Service Charge (per connection)	\$	16.41
Service Charge Tax Change Rate Rider – effective until April 30, 2010	\$	(0.02)
Distribution Volumetric Rate	\$/kWh	0.0138
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2010	\$/kWh	0.0092
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0043
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

Newmarket – Tay Power Distribution Ltd.

TARIFF OF RATES AND CHARGES

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EB-2007-0776
EB-2007-0578

Service Charge (per connection)	\$	1.76
Distribution Volumetric Rate	\$/kW	6.7259
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2010	\$/kW	0.5879
Distribution Volumetric Tax Change Rate Rider – effective until April 30, 2010	\$/kW	(0.0067)
Retail Transmission Rate – Network Service Rate	\$/kW	1.5101
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3447
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)	\$	1.76
Distribution Volumetric Rate	\$/kW	8.7412
Distribution Volumetric Deferral Account Rate Rider – effective until April 30, 2010	\$/kW	0.1907
Distribution Volumetric Tax Change Rate Rider – effective until April 30, 2010	\$/kW	(0.0087)
Retail Transmission Rate – Network Service Rate	\$/kW	1.5025
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3172
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	\$	8.50
Statement of account	\$	8.50
Duplicate invoices for previous billing	\$	3.25
Easement letter	\$	8.50
Account history	\$	8.50
Returned cheque charge (plus bank charges)	\$	16.50
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	12.50
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	25.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of account charge – no disconnection	\$	18.00
Disconnect/Reconnect at meter - during regular Hours	\$	50.00
Disconnect/Reconnect at meter – after regular hours	\$	120.00
Disconnect/Reconnect at pole – during regular hours	\$	160.00
Disconnect/Reconnect at pole – after regular hours	\$	315.00
Allowances		
Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.70)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

Newmarket – Tay Power Distribution Ltd.

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EB-2007-0776
EB-2007-0578

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	1.0365
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0261
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A

Tay Service Area

Per EB-2007-0578 Decision

MONTHLY RATES AND CHARGES

Residential

Service Charge	\$	17.18
Distribution Volumetric Rate	\$/kWh	0.0116
Regulatory Asset Recovery	\$/kWh	0.0058
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0053
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0047
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	\$	17.31
Distribution Volumetric Rate	\$/kWh	0.0177
Regulatory Asset Recovery	\$/kWh	0.0039
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0048
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0042
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0010
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Newmarket – Tay Power Distribution Ltd.

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EB-2007-0776
EB-2007-0578

General Service 50 to 4,999 kW

Service Charge	\$	210.93
Distribution Volumetric Rate	\$/kW	3.3024
Regulatory Asset Recovery	\$/kW	0.9416
Retail Transmission Rate – Network Service Rate	\$/kW	1.9747
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.6747
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)	\$	7.35
Distribution Volumetric Rate	\$/kWh	0.0177
Regulatory Asset Recovery	\$/kWh	0.0079
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0048
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0042
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)	\$	0.72
Distribution Volumetric Rate	\$/kW	3.2915
Regulatory Asset Recovery	\$/kW	7.4173
Retail Transmission Rate – Network Service Rate	\$/kW	1.4968
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.3217
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)	\$	0.69
Distribution Volumetric Rate	\$/kW	3.7705
Regulatory Asset Recovery	\$/kW	1.0734
Retail Transmission Rate – Network Service Rate	\$/kW	1.4893
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.2946
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

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		EB-2007-0776
		EB-2007-0578
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
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
Service 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	1.0866
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0757
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A