



**EB-2008-0237**

**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  
**Niagara-on-the-Lake Hydro Inc.** pursuant to section  
78 of the *Ontario Energy Board Act*, 1998 seeking  
approval to amend electricity distribution rates.

**BEFORE:** Cathy Spoel  
Presiding Member

Pamela Nowina  
Member and Vice-Chair

## **RATE ORDER**

Niagara-on-the-Lake Hydro Inc. ("NOTL" or the "Company") is a licensed distributor of electricity providing service to consumers within its licensed service area. On August 6, 2008, NOTL 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.

The Board assigned file number EB-2008-0237 to the application and issued a Notice of Application and Hearing on August 26, 2008. The Association of Major Power Consumers of Ontario (AMPCO), Energy Probe, the School Energy Coalition (SEC), and the Vulnerable Energy Consumers Coalition (VECC) were granted intervenor status in this proceeding.

The Board's decision regarding the Application was issued March 25, 2009 (the "Decision and Order"). In the Decision and Order, the Board ordered NOTL to

file a Draft Rate Order reflecting the Board's findings. The Board indicated that it expected NOTL to file detailed supporting material, including all relevant calculations showing the impact of the Decision and Order on the Company's proposed revenue requirement, the allocation of the approved revenue requirement to the classes and the determination of the final rates.

NOTL filed a Draft Rate Order on April 6, 2009. The intervenors in this proceeding had the opportunity to file comments within 7 days from the date of the filing of the Draft Rate Order.

The Board received comments from the Board staff on April 9, 2009 and from VECC on April 14, 2009. No comments were received from AMPCO, SEC, or Energy Probe.

Board staff commented that it had reviewed NOTL's draft Rate Order and did not have any major concerns regarding the draft Rate Order, but sought clarification regarding NOTL's recalculation of the load forecast. Board staff stated that NOTL had provided a recalculation of the load forecast due to the loss factor adjustment; however Board staff was unable to recreate the calculation based on the information provided. Board staff requested that NOTL provide detailed calculations of the revised load forecast reflecting the Decision.

On April 9, 2009, NOTL responded to Board staff's comments by making reference to Exhibit 3 Tab 2 Schedule 2 of its Application of August 6, 2009 and providing seven steps, which were built into NOTL's rate model. NOTL showed the amounts that changed as a result of incorporating the results of the Board Decision using the seven steps.

VECC commented that NOTL calculated the revised cost of power value using the Board's most recent projected RPP price forecast (\$0.0603/kWh). VECC suggested that NOTL use the forecast HOEP value of \$0.0516 in its calculations.

On April 14, 2009, NOTL responded to VECC's comments indicating that since the Board decision did not provide express direction as to which value should be used, on March 26, 2009 NOTL sent Board staff, an e-mail asking whether HOEP or RPP should be used. On March 26, 2009 Board staff advised NOTL

that the Navigant approach is based on RPP. Subsequently, NOTL calculated the revised cost of power using the Navigant forecast of \$0.0603/kWh.

The Board has reviewed the information provided and the proposed Tariff of Rates and Charges and is satisfied that the document accurately reflects the Board's Decision.

For completeness, the Board has included in the Tariff of Rates and Charges, the charges pertaining to services provided to retailers or consumers with respect to 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 May 1, 2009, for electricity consumed or estimated to have been consumed on and after May 1, 2009.
2. The Tariff of Rates and Charges set out in Appendix "A" of this Order supersedes all previous distribution rate schedules approved by the Board for NOTL and is final.
3. NOTL shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

**DATED** at Toronto, April 27, 2009.

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

Appendix "A"  
To The Rate Order Arising from Decision  
EB-2008-0237  
Niagara-on-the-Lake Hydro Inc.

May 1, 2009

# Niagara-on-the-Lake Hydro Inc.

## 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-2008-0237

#### 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 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 a 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 applies 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 applies to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 50 kW but less 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.

##### **Street Lighting**

This classification applies 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 by an approved OEB process.

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#### MONTHLY RATES AND CHARGES

##### Residential

Service Charge	\$	19.05
Distribution Volumetric Rate	\$/kWh	0.0127
Deferral Account Rate Rider – effective until April 30, 2013	\$/kWh	0.0002
Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider – effective until April 30, 2011	\$/kWh	0.0001
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0054
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0020
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	\$	46.33
Distribution Volumetric Rate	\$/kWh	0.0136
Deferral Account Rate Rider – effective until April 30, 2013	\$/kWh	0.0002
Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism (SSM) Recovery Rate Rider – effective until April 30, 2011	\$/kWh	0.0001
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0019
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	\$	347.25
Distribution Volumetric Rate	\$/kW	2.7058
Deferral Account Rate Rider – effective until April 30, 2013	\$/kW	0.0470
Retail Transmission Rate – Network Service Rate	\$/kW	1.9882
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.7418
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.1489
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.7841
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 customer)	\$	53.55
Distribution Volumetric Rate	\$/kWh	0.0161
Deferral Account Rate Rider – effective until April 30, 2013	\$/kWh	0.0033
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0049
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0019
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)	\$	2.91
Distribution Volumetric Rate	\$/kW	11.3847
Deferral Account Rate Rider – effective until April 30, 2013	\$/kW	0.0965
Retail Transmission Rate – Network Service Rate	\$/kW	1.4994
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.5734
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge	\$/kWh	0.0013
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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#### 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
Account History	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned Cheque (plus bank charges)	\$	15.00
Charge to Certify Cheque	\$	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
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
Service Call – Customer-owned Equipment – During Regular Hours	\$	30.00
Service Call – Customer-owned Equipment – After Regular Hours	\$	165.00
Install/Remove load control device – during regular hours	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00
Temporary service install and remove – overhead – no transformer	\$	500.00
Temporary service install and remove – underground – no transformer	\$	300.00
Temporary service install and remove – overhead – with transformer	\$	1,000.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
Specific Charge for Bell Canada Access to the Power Poles – per pole/year	\$	18.36
Note: Specific Charge for Bell Canada Access to the Power Poles is valid only until the existing joint-use agreement is terminated		
Allowances		
Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.56)
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

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### LOSS FACTORS

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0463
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0156
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0358
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0055