

EB-2011-0273

**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 Grimsby Power Inc. for an order approving or fixing just and reasonable rates and other charges for the distribution of electricity to be effective January 1, 2012.

**BEFORE:** Marika Hare

**Presiding Member** 

Cathy Spoel Member

#### **RATE ORDER**

Grimsby Power Inc. ("Grimsby" or "the Applicant") filed a cost of service application (the "Application") with the Ontario Energy Board (the "Board") on August 16, 2011 under section 78 of the *Ontario Energy Board Act*, 1998 ("the Act"), seeking approval for changes to the rates that it charges for electricity distribution to be effective January 1, 2012.

The Board issued its Decision on the application on January 16, 2012. In the Decision, the Board ordered the Applicant to file a draft Rate Order reflecting the Board's findings in the Decision. The Board approved an effective date of January 1, 2012 and an implementation date of March 1, 2012.

The Applicant filed a draft Rate Order and supporting material on January 23, 2012. Energy Probe Research Foundation ("Energy Probe") and Board staff filed comments on the draft Rate Order. Grimsby filed its response and a revised draft Rate Order and Tariff of Rates and Charges on February 3, 2012 to address comments raised by Energy Probe and Board staff including confirmation that Grimsby's request to discontinue the Standby Power service classification was included in the outcomes flowing from the Settlement Agreement.

The Board has reviewed the information provided in support of the revised draft Rate Order and the revised Tariff of Rates and Charges. The Board is satisfied that the revised Tariff of Rates and Charges accurately reflects the Board's Decision.

The Board notes that the Settlement Agreement stated that the parties have agreed that Grimsby may establish a variance account that would track any difference between (a) the amounts included in 2012 Test Year OM&A reflecting Grimsby's policy on capitalization of overheads under IFRS and (b) the amounts that may be eligible for inclusion in OM&A under a standardized approach that may be adopted by the Board at a later date, for disposition at a later date. The Board notes that this provision was accepted as part of the Settlement Agreement. The Board is of the view that it is premature to issue an accounting order to formally establish the account, since it is unknown whether the conditions that could give rise to any potential variances will occur at all. Accordingly, the Board directs Grimsby to request an accounting order to formally establish a variance account at the time potential variances occur and are material.

#### THE BOARD ORDERS THAT:

- 1. The Tariff of Rates and Charges set out in Appendix "A" of this Rate Order is approved effective January 1, 2012 for electricity consumed or estimated to have been consumed on and after such date. The Tariff of Rates and Charges shall be implemented on March 1, 2012.
- 2. The Tariff of Rates and Charges set out in Appendix "A" of this Order supersedes all previous Tariff of Rates and Charges approved by the Ontario Energy Board for the Grimsby Power Inc. service area, and is final in all respects.
- 3. Grimsby Power Inc. shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

### **DATED** at Toronto, February 16, 2012

### **ONTARIO ENERGY BOARD**

Original signed by

Kirsten Walli Board Secretary

### **APPENDIX A**

TO RATE ORDER

Grimsby Power Inc.

EB-2011-0273

DATED: February 16, 2012

Effective Date January 1, 2012 Implementation Date March 1, 2012

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

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### RESIDENTIAL SERVICE CLASSIFICATION

This class refers to the supply of electricity to residential customers residing in detached or semi-detached dwelling units, as defined in the local zoning by-law. Residential Service means a service which is less than 50kW supplied to single-family dwelling units that is for domestic or household purposes, including seasonal occupancy. At Grimsby Power'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. Further servicing details are available in the distributor's Conditions of Service.

#### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order 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 or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable.

It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

#### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge	\$	15.11
Rate Rider for Recovery of Residual Historical Smart Meter Costs - effective un	itil December 31, 2012 \$	2.04
Rate Rider for Recovery of Stranded Meter Assets – effective until December 3	1, 2012 \$	3.82
Rate Rider for Recovery of Late Payment Penalty Litigation Costs - effective un	itil April 30, 2012 \$	0.15
Distribution Volumetric Rate	\$/kWh	n 0.0116
Low Voltage Service Rate	\$/kWh	n 0.0007
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 20	)12 \$/kWl	n 0.0006
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2012)		
<ul> <li>– effective until December 31, 2013</li> </ul>	\$/kWh	n 0.0005
Rate Rider for Deferral/Variance Account Disposition (2012) - effective until Dec	cember 31, 2012 \$/kWh	n (0.0064)
Retail Transmission Rate – Network Service Rate	\$/kWh	n 0.0066
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	n 0.0054

#### **MONTHLY RATES AND CHARGES - Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective until April 30, 2012	\$/kWh	0.0013
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Effective Date January 1, 2012 Implementation Date March 1, 2012

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\$/kWh

0.0011

0.25

#### GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification applies to a non-residential customer that is identified by the billing system as registering under 50 kW on a demand meter in any one month of the year. Further servicing details are available in the distributor's Conditions of Service.

#### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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#### **MONTHLY RATES AND CHARGES – Delivery Component**

Rural Rate Protection Charge – effective on and after May 1, 2012

Standard Supply Service – Administrative Charge (if applicable)

Service Charge	\$	25.56
Rate Rider for Recovery of Residual Historical Smart Meter Costs – effective until December 31, 2012	\$ \$	2.74
Rate Rider for Recovery of Stranded Meter Assets – effective until December 31, 2012	\$	3.82
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.34
Distribution Volumetric Rate	\$/kWh	0.0125
Low Voltage Service Rate	\$/kWh	0.0006
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2012	\$/kWh	0.0005
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2012)		
<ul><li>effective until December 31, 2013</li></ul>	\$/kWh	0.0004
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until December 31, 2012	\$/kWh	(0.0069)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0047
MONTHLY RATES AND CHARGES – Regulatory Component		
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective until April 30, 2012	\$/kWh	0.0013

Effective Date January 1, 2012 Implementation Date March 1, 2012

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0.25

### **GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION**

This classification applies to a non-residential customer that is identified by the billing system as registering equal to or over 50 kW on a demand meter in any one month of the year. Further servicing details are available in the distributor's Conditions of Service.

#### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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#### **MONTHLY RATES AND CHARGES – Delivery Component**

Standard Supply Service – Administrative Charge (if applicable)

Service Charge	\$	165.08
Rate Rider for Recovery of Stranded Meter Assets – effective until December 31, 2012	\$	3.82
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	2.73
Distribution Volumetric Rate	\$/kW	1.6936
Low Voltage Service Rate	\$/kW	0.2555
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2012	\$/kW	0.0560
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2012)		
- effective until December 31, 2013	\$/kW	0.1142
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until December 31, 2012	\$/kW	(2.9933)
Retail Transmission Rate – Network Service Rate	\$/kW	2.4546
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.9125
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.4860
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	2.0159
MONTHLY RATES AND CHARGES – Regulatory Component		
Whalesels Market Coming Data	Φ /L-\ Δ /L-	0.0050
Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective until April 30, 2012	\$/kWh	0.0013
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011

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#### UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to electricity consumption that is not metered and is billed based on estimated usage. Such connections include street lighting equipment not owned by or operated for a municipality or the Province of Ontario, traffic signals and other small services etc. Further servicing details are available in the distributor's Conditions of Service.

#### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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It should be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

#### **MONTHLY RATES AND CHARGES – Delivery Component**

#### **MONTHLY RATES AND CHARGES – Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective until April 30, 2012	\$/kWh	0.0013
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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#### STREET LIGHTING SERVICE CLASSIFICATION

All services to street lighting equipment owned by or operated for a municipality or the Province of Ontario shall be classified as Street lighting Service. Further servicing details are available in the distributor's Conditions of Service.

#### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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#### **MONTHLY RATES AND CHARGES – Delivery Component**

Service Charge (per connection)	\$	1.75
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.01
Distribution Volumetric Rate	\$/kW	4.3469
Low Voltage Service Rate	\$/kW	0.1975
Rate Rider for Recovery of Foregone Revenue - effective until December 31, 2012	\$/kW	0.2416
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until December 31, 2012	\$/kW	(2.7856)
Retail Transmission Rate – Network Service Rate	\$/kW	1.8512
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4785

#### **MONTHLY RATES AND CHARGES – Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective until April 30, 2012	\$/kWh	0.0013
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

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#### microFIT GENERATOR SERVICE CLASSIFICATION

This classification applies to an electricity generation facility contracted under the Ontario Power Authority's microFIT program and connected to the distributor's distribution system. Further servicing details are available in the distributor's Conditions of Service.

#### **APPLICATION**

The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Code or Order of the Board, and amendments thereto as approved by the Board, which may be applicable to the administration of this schedule.

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#### **MONTHLY RATES AND CHARGES - Delivery Component**

Service Charge \$ 5.25

#### **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)

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#### SPECIFIC SERVICE CHARGES

#### **APPLICATION**

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Customer Administration		
Arrears Certificate	\$	15.00
Statement of Account	\$	15.00
Pulling Post Dated Cheques	\$	15.00
Duplicate Invoices for Previous Billing	\$	15.00
Easement Letter	\$	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
Interval Meter Interrogation	\$	20.00
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 Charges at Meter – During Regular Hours	\$	65.00
Disconnect/Reconnect Charges at Meter – After Regular Hours	\$ \$ \$ \$ \$ \$ \$	185.00
Disconnect/Reconnect Charges at Pole – During Regular Hours	\$	185.00
Disconnect/Reconnect Charges at Pole – After Regular Hours	\$	415.00
Camina Call Contanan sured Eminarant	¢	20.00
Service Call – Customer-owned Equipment	<b>\$</b>	30.00
Service Call – After Regular Hours	φ	165.00 65.00
Install/Remove Load Control Device – During Regular Hours Install/Remove Load Control Device – After Regular Hours	Ф Ф	185.00
Temporary Service Install & Remove – Overhead – No Transformer	Ф Ф	500.00
Temporary Service Install & Remove – Overhead – No Transformer  Temporary Service Install & Remove – Underground – No Transformer	φ <b>¢</b>	300.00
Temporary Service Install & Remove – Orderground – No Transformer  Temporary Service Install & Remove – Overhead – with Transformer	φ <b>¢</b>	1,000.00
Specific Charge for Access to the Power Poles – per pole/year	\$ \$ \$ \$ \$ \$ \$ \$ \$ \$ \$	22.35
opening origing for Access to the Lower Loles - her hole/year	Ψ	22.00

Effective Date January 1, 2012 Implementation Date March 1, 2012

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### **RETAIL SERVICE CHARGES (if applicable)**

#### **APPLICATION**

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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 monthly charge, per customer, per retailer	\$/cust.	0.30
Retailer-consolidated billing monthly 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

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0526
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0421