

EB-2008-0014

**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 Atikokan Hydro 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

Atikokan Hydro Inc. ("Atikokan" or "the Company") is a licensed distributor of electricity providing service to consumers within the Township of Atikokan. Atikokan 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-2008-0014 to the application.

The Vulnerable Energy Consumers Coalition ("VECC") requested and was granted intervenor status.

The Board issued its Decision on Atikokan's application on August 21, 2008 and ordered Atikokan to file a Draft Rate Order reflecting the Board's findings. The Board ordered the rates to be effective June 1, 2008 and to be implemented October 1, 2008.

As a result of this approval, there is a period of time starting on June 1, 2008 and concluding September 30, 2008 that Atikokan will have charged customers according to its currently approved rates rather than the Board approved 2008 rates. The Board indicated that it was prepared to accept rate riders, to be in effect until April 30, 2009, that would adequately recover the foregone revenue during that period.

Atikokan filed its Draft Rate Order and proposed Tariff of Rates and Charges on September 4, 2008. On September 9, 2008 VECC filed its comments with respect to a matter relating to cost allocation and rate design. Atikokan replied to this submission on September 16, 2008.

The Board has reviewed the information provided by Atikokan in its final revised Draft Rate Order, its reply to VECC's comments, and the proposed Tariff of Rates and Charges. The Board accepts Atikokan's calculation of the rate riders to recover foregone revenue from June 1, 2008 to September 30, 2008. The Board is satisfied that the submitted material and the proposed Tariff of Rates and Charges 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 June 1, 2008 but implemented October 1, 2008 for electricity consumed or estimated to have been consumed on and after such date.
- 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 Atikokan Hydro Inc. and is final in all respects.
- 3. Atikokan Hydro Inc. shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

# **DATED** at Toronto, September 29, 2008 **ONTARIO ENERGY BOARD**

Original signed by

Kirsten Walli Board Secretary

# Appendix "A" To The Rate Order Arising from Decision EB-2008-0014

Atikokan Hydro Inc.

September 29, 2008

Effective June 1, 2008 Implementation October 1, 2008

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

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### **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 – October 1, 2008 for all consumption or deemed consumption services used on or after that date. SPECIFIC SERVICE CHARGES – October 1, 2008 for all charges incurred by customers on or after that date. RETAIL SERVICE CHARGES – October 1, 2008 for all charges incurred by retailers or customers on or after that date. LOSS FACTOR ADJUSTMENT – October 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 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 average monthly maximum 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 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 999 kW non-interval metered General Service 50 to 999 kW interval metered General Service 1,000 to 4,999 kW interval metered

### **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 boots, 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 applies to safety/security lighting. This is typically exterior lighting, and often unmetered. Consumption is estimated based on the equipment rating and estimated hours of use.

### Effective June 1, 2008 Implementation October 1, 2008

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### **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.

### **MONTHLY RATES AND CHARGES**

### Residential

| Service Charge   | \$     | 34.96  |
|--|--------|--------|
| Foregone Distribution Revenue Rate Rider – Service Charge – effective until April 30, 2009 | \$     | 4.45   |
| Distribution Volumetric Rate   | \$/kWh | 0.0137 |
| Foregone Distribution Revenue Rate Rider – Volumetric Rate effective until April 30, 2009  | \$/kWh | 0.0017 |
| Deferral Account Rate Rider – effective until April 30, 2009                               | \$/kWh | 0.0050 |
| Retail Transmission Rate – Network Service Rate  | \$/kWh | 0.0042 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate                 | \$/kWh | 0.0023 |
| 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   | \$     | 76.42  |
|--|--------|--------|
| Foregone Distribution Revenue Rate Rider – Service Charge – effective until April 30, 2009 | \$     | 12.70  |
| Distribution Volumetric Rate   | \$/kWh | 0.0097 |
| Foregone Distribution Revenue Rate Rider – Volumetric Rate effective until April 30, 2009  | \$/kWh | 0.0016 |
| Deferral Account Rate Rider – effective until April 30, 2009                               | \$/kWh | 0.0050 |
| Retail Transmission Rate – Network Service Rate  | \$/kWh | 0.0038 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate                 | \$/kWh | 0.0020 |
| Wholesale Market Service Rate  | \$/kWh | 0.0052 |
| Rural Rate Protection Charge   | \$/kWh | 0.0010 |
| Standard Supply Service – Administrative Charge (if applicable)                            | \$     | 0.25   |

### General Service 50 to 4,999 kW

| Se | rvice Charge  | \$     | 222.92 |
|----|---|--------|--------|
| Fo | regone Distribution Revenue Rate Rider – Service Charge – effective until April 30, 2009              | \$     | 86.07  |
| Di | stribution Volumetric Rate  | \$/kW  | 0.8670 |
| Fo | regone Distribution Revenue Rate Rider – Volumetric Rate effective until April 30, 2009               | \$/kW  | 0.3381 |
| De | ferral Account Rate Rider – effective until April 30, 2009  | \$/kW  | 1.9012 |
| Re | tail Transmission Rate – Network Service Rate   | \$/kW  | 1.5331 |
| Re | tail Transmission Rate – Network Service Rate – Interval Metered                                      | \$/kW  | 1.6282 |
| Re | tail Transmission Rate – Network Service Rate – Interval Metered ≥ 1,000 kW                           | \$/kW  | 1.6264 |
| Re | tail Transmission Rate – Line and Transformation Connection Service Rate                              | \$/kW  | 0.7863 |
| Re | tail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered           | \$/kW  | 0.8619 |
| Re | tail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered ≥ 1,000kW | \$/kW  | 0.8690 |
| W  | nolesale Market Service Rate  | \$/kWh | 0.0052 |
| Rι | ral Rate Protection Charge  | \$/kWh | 0.0010 |
| St | andard Supply Service – Administrative Charge (if applicable)   | \$     | 0.25   |

### Effective June 1, 2008 Implementation October 1, 2008

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### **Unmetered Scattered Load**

| Service Charge (per account)   | \$     | 209.17 |
|--|--------|--------|
| Foregone Distribution Revenue Rate Rider – Service Charge – effective until April 30, 2009 | \$     | 90.60  |
| Distribution Volumetric Rate   | \$/kWh | 0.0269 |
| Foregone Distribution Revenue Rate Rider – Volumetric Rate effective until April 30, 2009  | \$/kWh | 0.0117 |
| Deferral Account Rate Rider – effective until April 30, 2009                               | \$/kWh | 0.0049 |
| Retail Transmission Rate – Network Service Rate  | \$/kWh | 0.0038 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate                 | \$/kWh | 0.0020 |
| Wholesale Market Service Rate  | \$/kWh | 0.0052 |
| Rural Rate Protection Charge   | \$/kWh | 0.0010 |
| Standard Supply Service – Administrative Charge (if applicable)                            | \$     | 0.25   |

### **Sentinel Lighting**

| Service Charge   | \$     | 5.11    |
|--|--------|---------|
| Foregone Distribution Revenue Rate Rider – Service Charge – effective until April 30, 2009 | \$     | 2.30    |
| Distribution Volumetric Rate   | \$/kW  | 44.3918 |
| Foregone Distribution Revenue Rate Rider – Volumetric Rate effective until April 30, 2009  | \$/kW  | 19.9551 |
| Deferral Account Rate Rider – effective until April 30, 2009                               | \$/kW  | 13.7143 |
| Retail Transmission Rate – Network Service Rate  | \$/kW  | 1.1620  |
| Retail Transmission Rate – Line and Transformation Connection Service Rate                 | \$/kW  | 0.6205  |
| 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)  | \$     | 5.47   |
|--|--------|--------|
| Foregone Distribution Revenue Rate Rider – Service Charge – effective until April 30, 2009 | \$     | 2.00   |
| Distribution Volumetric Rate   | \$/kW  | 6.2964 |
| Foregone Distribution Revenue Rate Rider – Volumetric Rate effective until April 30, 2009  | \$/kW  | 2.3012 |
| Deferral Account Rate Rider – effective until April 30, 2009                               | \$/kW  | 1.5858 |
| Retail Transmission Rate – Network Service Rate  | \$/kW  | 1.1562 |
| Retail Transmission Rate – Line and Transformation Connection Service Rate                 | \$/kW  | 0.6078 |
| Wholesale Market Service Rate  | \$/kWh | 0.0052 |
| Rural Rate Protection Charge   | \$/kWh | 0.0010 |
| Standard Supply Service – Administrative Charge (if applicable)                            | \$     | 0.25   |
|  |        |        |

### Effective June 1, 2008 Implementation October 1, 2008

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| approved schedules of Rates, Charges and Loss Factors   |                | EB-2008-0014   |
|---|----------------|----------------|
| Specific Service Charges  |                |                |
|   |                |                |
| Customer Administration   | •              | 05.00          |
| Returned Cheque charge (plus bank charges)  | \$<br>\$<br>\$ | 25.00          |
| Account set up charge / change of occupancy charge (plus credit agency costs if applicable)   | ð,             | 25.00<br>25.00 |
| Special Meter reads   | Ф              | 25.00          |
| Non-Payment of Account  |                |                |
| Late Payment - per month  | %              | 1.50           |
| Late Payment - per annum  | %              | 19.56          |
| Collection of account charge – no disconnection   | \$             | 25.00          |
| Disconnect/Reconnect at Meter – during regular hours  | \$             | 28.00          |
| Disconnect/Reconnect at Meter – after regular hours   | \$             | 315.00         |
| Disconnect/Reconnect at Pole – during regular hours   | \$             | 28.00          |
| Disconnect/Reconnect at Pole – after regular hours  | \$             | 315.00         |
|   |                |                |
| Specific Charge for Access to the Power Poles – per pole/year   | \$             | 22.35          |
|   |                |                |
| Allowances  |                |                |
| Transformer Allowance for Ownership – per kW of billing demand/month – customer shall be credited a   | a rate o       | f 10% of the   |
| applicable Distribution Volumetric Rate   | 0/             | (4.00)         |
| 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 retaile                                     | r <b>C</b>     | 100.00         |
| Monthly Fixed Charge, per retailer  | \$             | 20.00          |
| Monthly Variable Charge, per retailer  Monthly Variable Charge, per customer, per retailer  | φ<br>\$/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)  | φ/οασι.        | (0.00)         |
| 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  |                |                |
| T. II. 5 ( ) 0 ( ) 1 M ( ) 10 ( ) ( ) 5000 IW   |                | 4.0750         |
| Total Loss Factor – Secondary Metered Customer < 5,000 kW   |                | 1.0753         |
| Total Loss Factor – Secondary Metered Customer > 5,000 kW   |                | N/A            |
| Total Loss Factor – Primary Metered Customer < 5,000 kW   |                | 1.0645         |
| Total Loss Factor – Primary Metered Customer > 5,000 kW   |                | N/A            |