Ontario Energy Board

Commission de l'énergie de l'Ontario

Ontario

EB-2011-0196

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 St. Thomas Energy Inc. for an order or orders approving or fixing just and reasonable distribution rates and other charges, to be effective May 1, 2012.

BEFORE: Karen Taylor
Presiding Member

Paula Conboy
Member

DECISION AND ORDER

Introduction

St. Thomas Energy Inc. ("St. Thomas"), a licensed distributor of electricity, filed an application with the Ontario Energy Board (the "Board") on October 28, 2011 under section 78 of the *Ontario Energy Board Act*, *1998*, S.O. 1998, c. 15, (Schedule B), seeking approval for changes to the rates that St. Thomas charges for electricity distribution, to be effective May 1, 2012.

St. Thomas is one of 77 electricity distributors in Ontario regulated by the Board. The *Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* (the "IR Report"), issued on July 14, 2008, establishes a three year plan term for 3rd generation incentive regulation mechanism ("IRM") (i.e., rebasing plus three years). In its October 27, 2010 letter regarding the development of a Renewed Regulatory Framework for Electricity ("RRFE"), the Board announced that it was extending the IRM plan until such time as the RRFE policy initiatives have been substantially completed. As part of the plan, St. Thomas is one of the electricity distributors that will have its rates adjusted for 2012 on the basis of the 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 IR Report, its *Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* on September 17, 2008 (the "Supplemental Report"), and its *Addendum to the Supplemental Report of the Board on 3rd Generation Incentive Regulation for Ontario's Electricity Distributors* on January 28, 2009 (collectively the "Reports"). Among other things, the Reports contain the relevant guidelines for 2012 rate adjustments for distributors applying for distribution rate adjustments pursuant to the IRM process. On June 22, 2011, the Board issued an update to Chapter 3 of the Board's *Filing Requirements for Transmission and Distribution Applications* (the "Filing Requirements"), which outlines the application filing requirements for IRM applications based on the policies in the Reports.

Notice of St. Thomas' rate application was given through newspaper publication in St. Thomas' service area advising interested parties where the rate application could be viewed and advising how they could intervene in the proceeding or comment on the application. The Vulnerable Energy Consumers Coalition ("VECC") applied and was granted intervenor status in this proceeding. The Board granted VECC eligibility for cost awards in regards to St. Thomas' request for lost revenue adjustment mechanism ("LRAM") recovery and revenue-to-cost ratio matters that go beyond the implementation of previous Board decisions. Board staff also participated in the proceeding. The Board proceeded by way of a written hearing.

While the Board has considered the entire record in this proceeding, it has made reference only to such evidence as is necessary to provide context to its findings. The following issues are addressed in this Decision and Order:

- Price Cap Index Adjustment;
- Rural or Remote Electricity Rate Protection Charge;
- Revenue-to-Cost Ratio Adjustments;
- Shared Tax Savings Adjustments;
- Retail Transmission Service Rates;
- Review and Disposition of Group 1 Deferral and Variance Account Balances;

- Review and Disposition of Account 1521: Special Purpose Charge;
- Review and Disposition of Lost Revenue Adjustment Mechanism; and
- Review and Disposition of Account 1562: Deferred Payments In Lieu of Taxes.

Price Cap Index Adjustment

As outlined in the Reports, distribution rates under the 3rd Generation IRM are to be adjusted by a price escalator, less a productivity factor (X-factor) of 0.72% and a stretch factor.

On March 13, 2012, the Board announced a price escalator of 2.0% for those distributors under IRM that have a rate year commencing May 1, 2012.

The stretch factors are assigned to distributors based on the results of two benchmarking evaluations to divide the Ontario industry into three efficiency cohorts. In its letter to Licensed Electricity Distributors dated December 1, 2011 the Board assigned St. Thomas to efficiency cohort 2 and a cohort specific stretch factor of 0.4%.

On that basis, the resulting price cap index adjustment is 0.88%. The price cap index adjustment applies to distribution rates (fixed and variable charges) uniformly across customer classes that are not eligible for Rural or Remote Electricity Rate Protection.

The price cap index adjustment will not apply to the following components of delivery rates:

- Rate Riders;
- Rate Adders;
- Low Voltage Service Charges;
- Retail Transmission Service Rates;
- Wholesale Market Service Rate;
- Rural or Remote Rate Protection Charge;
- Standard Supply Service – Administrative Charge;
- Transformation and Primary Metering Allowances;
- Loss Factors;
- Specific Service Charges;
- MicroFIT Service Charges; and
- Retail Service Charges.

Rural or Remote Electricity Rate Protection Charge

On December 21, 2011, the Board issued a Decision with Reasons and Rate Order (EB-2011-0405) establishing the Rural or Remote Electricity Rate Protection (“RRRP”) benefit and charge for 2012. The Board amended the RRRP charge to be collected by the Independent Electricity System Operator from the current $0.0013 per kWh to $0.0011 per kWh effective May 1, 2012. The draft Tariff of Rates and Charges flowing from this Decision and Order will reflect the new RRRP charge.

Revenue-to-Cost Ratio Adjustments

Revenue-to-cost ratios measure the relationship between the revenues expected from a class of customers and the level of costs allocated to that class. The Board has established ranges within which revenue-to-cost ratios should fall for the different customer classes (the “Target Ranges”) for Ontario electricity distributors in its report *Application of Cost Allocation for Electricity Distributors*, dated November 28, 2007 and in its updated report *Review of Electricity Distribution Cost Allocation Policy,* dated March 31, 2011.

Pursuant to the Board’s decision in St. Thomas’ 2011 cost of service application (EB-2010-0141), St. Thomas proposed to increase the revenue-to-cost ratio for the Sentinel Lighting and Street Lighting rate classes half way to the bottom of the corresponding Board approved range.

The additional revenues from the adjustments to the Sentinel and Street Lighting rate classes would reduce the revenue-to-cost ratio for the Residential rate class.

The table below outlines the proposed revenue-to-cost ratios.

Rate Class	Current 2011 Ratio	Proposed 2012 Ratio	Target Range
Residential	107.0	105.85	85 – 115
General Service Less Than 50 kW	101.0	101.00	80 – 120
General Service 50 to 4,999 kW	93.00	93.00	80 – 180
Street Lighting	40.00	55.00	70 – 120
Sentinel Lighting	50.00	60.00	70 – 120

Board staff submitted that the proposed revenue-to-cost ratio adjustments were in accordance with the Board's decision in St. Thomas' 2011 cost of service proceeding.

The Board approves the adjusted revenue-to-cost ratios as filed and notes that the adjustments are in accordance with the Board's decision in EB-2010-0141.

Shared Tax Savings Adjustments

In its Supplemental Report, the Board determined that a 50/50 sharing of the impact of currently known legislated tax changes, as applied to the tax level reflected in the Board-approved base rates for a distributor, is appropriate.

The calculated annual tax reduction over the IRM plan term will be allocated to customer rate classes on the basis of the Board-approved base-year distribution revenue. These amounts will be refunded to customers each year of the plan term, over a 12-month period, through a volumetric rate rider using annualized consumption by customer class underlying the Board-approved base rates.

St. Thomas' application identified a total tax savings of $34,954 resulting in a shared amount of $17,477 to be refunded to rate payers.

The Board approves the disposition of the shared tax savings of $17,477 over a one year period (i.e. May 1, 2012 to April 30, 2013) and the associated rate riders for all customer rate classes.

Retail Transmission Service Rates

Electricity distributors are charged the Ontario Uniform Transmission Rates ("UTRs") at the wholesale level and subsequently pass these charges on to their distribution customers through the Retail Transmission Service Rates ("RTSRs"). Variance accounts are 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. variance Accounts 1584 and 1586).

On June 22, 2011 the Board issued revision 3.0 of the *Guideline G-2008-0001 - Electricity Distribution Retail Transmission Service Rates* (the "RTSR Guideline"). The RTSR Guideline outlines the information that the Board requires electricity distributors to file to adjust their RTSRs for 2012. The RTSR Guideline requires electricity distributors to adjust their RTSRs based on a comparison of historical transmission costs adjusted for the new UTR levels and the revenues generated under existing RTSRs. The objective of resetting the rates is to minimize the prospective balances in Accounts 1584 and 1586. In order to assist electricity distributors in the calculation of the distributors' specific RTSRs, Board staff provided a filing module.

On December 20, 2011 the Board issued its Rate Order for Hydro One Transmission (EB-2011-0268) which adjusted the UTRs effective January 1, 2012, as shown in the following table:

2012 Uniform Transmission Rates

Network Service Rate	$3.57 per kW
<u>Connection Service Rates</u>	
Line Connection Service Rate	$0.80 per kW
Transformation Connection Service Rate	$1.86 per kW

The Board finds that these 2012 UTRs are to be incorporated into the filing module.

St. Thomas proposed to use a loss factor of 1.0339 based on the 2010 rate year rather than the loss factor of 1.0350 approved by the Board in its 2011 cost of service application. In response to Board staff interrogatory #4b, St. Thomas noted that it applied the 2010 loss factors as found in the Board's Decision and Order EB-2009-0208.

Board staff submitted that the purpose of the filing module is to attempt to align a distributor's wholesale electricity costs with the charges recovered from customers. Board staff further submitted that the most recent Board approved loss factor should be used since it should be a better predictor of the wholesale costs and therefore a better proxy to recalibrate RTSRs unless the applicant can provide evidence that a change in circumstances will have a material impact on the loss factor going forward.

The Board directs St. Thomas to use the loss factor approved by the Board in its 2011 COS application. The Board is of the view that use of this loss factor is consistent with the Board's practice and best aligns the wholesale electricity costs with the charges recovered from customers. The Board directs St. Thomas to re-calibrate the RTSRs using the loss factor approved in the 2011 COS application.

Review and Disposition of Group 1 Deferral and Variance Account Balances

The *Report of the Board on Electricity Distributors' Deferral and Variance Account Review Report Initiative* (the "EDDVAR Report") provides that, during the IRM plan term, the distributor's Group 1 account balances will be reviewed and disposed if the preset disposition threshold of $0.001 per kWh (debit or credit) is exceeded. The onus is on the distributor to justify why any account balance in excess of the threshold should not be disposed.

St. Thomas' 2010 actual year-end total balance for Group 1 Accounts including interest projected to April 30, 2012 is a credit of $821,301. This amount results in a total credit claim of $0.00275 per kWh, which exceeds the preset disposition threshold. St. Thomas proposed to dispose of this credit amount over a one-year period.

In its submission, Board staff noted that the principal amounts to be disposed as of December 31, 2010 reconcile with the amounts reported as part of the *Reporting and Record-keeping Requirements* ("RRR"). Board staff submitted that the amounts should be disposed on a final basis. Board staff further submitted that St. Thomas' proposal for a one year disposition period is in accordance with the EDDVAR Report.

The Board notes that the preset EDDVAR disposition threshold of $0.001/kWh has been exceeded. The Board approves the disposition on a final basis of a credit balance of $821,301 representing the actual balance at December 31, 2010 plus interest to April 30, 2012, over a one year period, from May 1, 2012 to April 30, 2013.

The table below identifies the principal and interest amounts approved for disposition for Group 1 Accounts.

Account Name	Account Number	Principal Balance A	Interest Balance B	Total Claim C = A + B
LV Variance Account	1550	$0	$0	$0
RSVA - Wholesale Market Service Charge	1580	-$315,418	$38,226	-$277,192
RSVA - Retail Transmission Network Charge	1584	$28,785	-$33,385	-$4,600
RSVA - Retail Transmission Connection Charge	1586	-$44,690	-$9,811	-$54,501
RSVA - Power (excluding Global Adjustment)	1588	-$1,319,406	$24,746	-$1,294,660
RSVA - Power – Global Adjustment Sub-Account	1588	$794,058	$15,594	$809,652
Recovery of Regulatory Asset Balances	1590	$0	$0	$0
Disposition and Recovery of Regulatory Balances (2008)	1595	$0	$0	$0
Disposition and Recovery of Regulatory Balances (2009)	1595	$0	$0	$0
Group 1 Total				**-$821,301**

For accounting and reporting purposes, the respective balance of each Group 1 account approved for disposition shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year (e.g. May 1). This entry should be completed on a timely basis to ensure that these adjustments are included in the June 30, 2012 (3rd Quarter) RRR data reported.

Review and Disposition of Account 1521: Special Purpose Charge

The Board authorized Account 1521, Special Purpose Charge Assessment ("SPC") Variance Account in accordance with Section 8 of *Ontario Regulation 66/10* (*Assessments for Ministry of Energy and Infrastructure Conservation and Renewable Energy Program Costs*) (the "SPC Regulation"). Accordingly, any difference between (a) the amount remitted to the Minister of Finance for the distributor's SPC assessment and (b) the amounts recovered from customers on account of the assessment were to be recorded in "Sub-account 2010 SPC Assessment Variance" of Account 1521.

In accordance with Section 8 of the SPC Regulation, distributors are required to apply no later than April 15, 2012 for an order authorizing the disposition of any residual balance in sub-account 2010 SPC Assessment Variance. The Filing Requirements sets out the Board's expectation that requests for disposition of this account balance would be heard as part of the proceedings to set rates for the 2012 year.

St. Thomas requested the disposition of a residual debit balance of $6,965.89 as at December 31, 2010, plus collections in 2011 and carrying costs until April 30, 2012 over a one year period.

Board staff submitted that despite the usual practice, the Board should authorize the disposition of Account 1521 as of December 31, 2010, plus the amounts recovered from customers in 2011, including interest, because the account balance does not require a prudence review, and electricity distributors are required by regulation to apply for disposition of this account. Board staff submitted that the $6,965.89 debit balance in Account 1521 should be approved for disposition on a final basis.

The Board approves the disposition on a final basis of a debit balance of $6,965.89 representing principal and interest balances to April 30, 2012, over a one year period, from May 1, 2012 to April 30, 2013. The Board directs St. Thomas to close Account 1521 effective May 1, 2012.

For accounting and reporting purposes, the balance of Account 1521 shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year (e.g. May 1). This entry should be completed on a timely basis to ensure that these adjustments are included in the June 30, 2012 (3rd Quarter) RRR data reported.

Review and Disposition of Lost Revenue Adjustment Mechanism ("LRAM")

The Board's *Guidelines for Electricity Distributor Conservation and Demand Management* (the "CDM Guidelines") issued on March 28, 2008 outline the information that is required when filing an application for LRAM or SSM.

St. Thomas originally requested the recovery of an LRAM claim of $125,625.76, which includes $2,900.35 in carrying charges as of April 30, 2012 over a one year period. In response to Board staff interrogatory #6a and VECC interrogatory #3b, St. Thomas updated its LRAM claim to $120,419.52, which includes $2,778.55 in carrying charges. The lost revenues include the effect of CDM programs implemented from 2006-2010 in 2010. St. Thomas has requested approval of these savings persisting until the end of 2011.

In its submission, Board staff noted that St. Thomas' rates were rebased in 2011. Board staff noted that in its Decision and Order in the EB-2011-0174 proceeding, the Board disallowed LRAM claims for the rebasing year as well as persistence of prior year programs in and beyond the test year on the basis that these savings should have been incorporated into the applicant's load forecast at the time of rebasing.

Board staff also noted that in cases in which it was clear in the application or settlement agreement that an adjustment for CDM was not being incorporated into the load forecast specifically because of an expectation that an LRAM application would address the issue, and if this approach was accepted by the Board, then Board staff would agree that an LRAM application is appropriate. Board staff requested that St. Thomas highlight in its reply submission whether the issue of an LRAM application was addressed in its cost of service application.

Board staff submitted that in the absence of the above information, St. Thomas should not be permitted to recover the requested 2011 lost revenues that are the result of persisting CDM impacts from programs implemented in 2006, 2007, 2008, 2009, and 2010 as these amounts should have been built into St. Thomas' last approved load forecast.

Board staff supported the approval of the 2010 lost revenues for programs delivered in 2006, 2007, 2008, as well as new savings from 2010 CDM programs as these lost revenues took place during an IRM year and St. Thomas did not previously recover these amounts. Board staff requested that St. Thomas provide an updated LRAM amount that only includes lost revenues in 2010, and the associated rate riders.

VECC noted that energy savings from the OPA's CDM programs deployed between 2006 and 2010 are not accruable in 2011 as these savings should have been incorporated into the 2011 load forecast at the time of rebasing. VECC supported the approval of the lost revenues requested by St. Thomas in 2010 due to the impact of CDM programs implemented from 2006 to 2010, as St. Thomas did not collect this revenue while under IRM. VECC further submitted that the LRAM claim approved by the Board should be adjusted to include only lost revenue for the year 2010.

In its reply submission, St. Thomas noted that there was no reliable predictive variable for CDM in the 2011 load forecast. St. Thomas noted that persistence of 2006-2010 CDM Program results into 2011 should be included in final LRAM amounts. St. Thomas noted that 2010 CDM Program results were not included in the 2011 load forecast and should be included in total LRAM calculations. St. Thomas further noted that claims for persistence of 2006 – 2010 program results into 2011 should also be included in the total calculated LRAM. As requested from Board staff, St. Thomas provided an LRAM amount that only includes lost revenues in 2010 (i.e. $61,932.79), and the associated rate riders. St. Thomas submitted that the LRAM claim as requested is appropriate and is fully consistent with previous Board decisions and requested that the Board approve the LRAM claim for $120,419.52.

The Board approves an LRAM claim of $61,932.79, representing lost revenues arising from persistence from CDM programs launched in 2006, 2007, 2008 and 2009 in 2010 and new savings from 2010 programs in 2010, as St. Thomas was in IRM over this period and has not otherwise recovered LRAM for this period. The Board approves a one year disposition period, from May 1, 2012 to April 30, 2013.

The Board will not approve the recovery of lost revenue arising from the persistence of programs implemented from 2006 to 2010 in 2011, as it is inconsistent with the 2008 CDM Guidelines, which states that lost revenues are only accruable until new rates (based on a new revenue requirement and load forecast) are set by the Board, as the savings would be assumed to be incorporated in the load forecast at that time. The

Board notes that St. Thomas rebased in 2011 and has not provided a sufficient evidentiary basis to justify varying from the 2008 Guidelines.

Review and Disposition of Account 1562: Deferred Payments in Lieu of Taxes

In 2001, the Board approved a regulatory payments in lieu of taxes proxy approach for rate applications coupled with a true-up mechanism filed under the RRR to account for changes in tax legislation and rules and to true-up between certain proxy amounts used to set rates and the actual amount of taxes paid. The variances resulting from the true-up were tracked in Account 1562 for the period 2001 through April 30, 2006.

On November 28, 2008, pursuant to sections 78, 19 (4) and 21 (5) of the *Ontario Energy Board Act, 1998*, the Board commenced a Combined Proceeding (EB-2008-0381) on its own motion to determine the accuracy of the final account balances with respect to Account 1562 Deferred Payments in Lieu of Taxes ("Deferred PILs") (for the period October 1, 2001 to April 30, 2006) for certain electricity distributors that filed 2008 and 2009 distribution rate applications.

The Notice in the Combined Proceeding included a statement of the Board's expectation that the decision resulting from the Combined Proceeding would be used to determine the final account balances with respect to Account 1562 Deferred PILs for the remaining distributors. In its decision and order, the Board stated that, "[e]ach remaining distributor will be expected to apply for final disposition of Account 1562 with its next general rates application (either IRM or cost of service)."[1]

St. Thomas originally requested the disposition, over a one year period, of a debit balance of $951,787 in Account 1562 including carrying charges up to April 30, 2012.

In response to interrogatories, St. Thomas amended its evidence to support the recovery of a debit balance of $848,695.

<u>Start date for recording the PILs proxy entitlement and the amount</u>

St. Thomas indicated that, due to staffing issues, it did not file its 2002 application until June 27, 2002 (date of receipt by Board Secretary) and a revision was filed August 28, 2002. The Board in its decision determined that the application was complete as of August 28, 2002 and made the rates effective November 1, 2002.

[1] EB-2008-0381 Account 1562 Deferred PILs Combined Proceeding, Decision and Order, p. 28

Board staff interrogatories asked St. Thomas to consider an alternative to recording the 2001 and 2002 proxy entitlements with effect from October 1, 2001 and January 1, 2002 respectively. The alternative offered by Board staff was to calculate the PILs proxy entitlements from the effective date of the rates of November 1, 2002 which results in an amount of $1,381,641. St. Thomas calculated its recoveries for this same period to be $1,365,719.

Board staff submitted that the 2001 and 2002 PILs proxy amounts for the period up to October 31, 2002 constituted lost revenue, and noted that the Board in its decision denied a deferral account to record any such lost revenue. Board staff also submitted that since St. Thomas delayed filing its 2002 application until June 27, 2002, and further amended the application on August 28, 2002, the Board-approved accounting guidance for distributors following the standard application timing should not apply. Board staff further submitted that the alternative proffered by Board staff of calculating the PILs proxy with effect from November 1, 2002 is equitable to ratepayers and to the shareholder.

Board staff noted that if its suggestion is accepted, the revised principal balance in account 1562 would be a credit of approximately $230,327. This amount includes the variances reported by St. Thomas in its SIMPIL models for 2003, 2004 and 2005. Board staff estimates the interest carrying charges to be a credit of $48,247 resulting in a total amount to be refunded of approximately $278,574.

Interest Expense used in SIMPIL True-up Calculations

Board staff interrogatories inquired about interest expense related to the excess interest true-up calculations. St. Thomas and its shareholder executed a formal promissory note on April 30, 2004 which required the distributor to make interest payments in respect of the fiscal periods 2001 through 2003. The amounts that appeared in the SIMPIL models did not agree with the retroactive changes to interest in St. Thomas' audited financial statements.

St. Thomas filed letters from its external law firm Siskinds with respect to a tax matter with the Ontario Ministry of Finance.[2] The distributor and its shareholder changed the terms of the promissory note in order to create an effective date of payment of interest that preceded the date of execution. St. Thomas sought to amend its tax returns for

[2] Responses to Board staff's interrogatories, January 23, 2012, Exh.5/Tab2/Sch.1/Attach 7 & 8.

2001 to 2003 in order to deduct the interest. The Ministry of Finance denied St. Thomas' request and would not allow the deduction of retroactive interest in prior years' tax returns:

> "The law does not prohibit parties to a contract from agreeing upon an effective date that precedes the date of its execution. While the parties to a contract can agree that it will have retrospective effect, the courts have noted third parties, notably tax authorities, need not be bound by retrospective operation of a contract (see Canadian Tax Foundation Conference, Mendel v. MNR 1965 DTC 114). Since the interest in question only became payable in 2004 as a result of a decision made in 2004 to levy interest retroactively, then it would only be deductible in 2004, and only to the extent of interest payable in respect of the period relating to the 2004 taxation year. To put it another way, a corporation cannot enter into a contract whose provisions are not in congruence with the spirit and intent of a taxing statute."

Board staff agreed with St. Thomas that the deemed interest is higher than the actual adjusted interest and that the claw-back penalty does not apply.

In its reply submission, St. Thomas agreed with Board staff's submission on interest expense used in the SIMPIL true-up calculation.

<u>Unbilled revenue accrual</u>

In Board staff interrogatory #8c, Board staff asked St. Thomas to explain how it calculated the PILs recoveries related to unbilled revenue at April 30, 2006. Board staff requested that St. Thomas clarify this issue by providing the dollar amounts billed to customers after April 30, 2006 using the rates that were in effect prior to May 1, 2006 and the PILs dollar amounts included in these billings.

In its reply submission, St. Thomas agreed that its rates were made effective on November 1, 2002. However, St. Thomas explained that it became a taxable entity and was required to file and submit returns effective October 1, 2001. The Board's decision approved a 2001 PILs proxy for the three month period and full 12 month period for 2002. St. Thomas submitted that it applied the PILs proxy as approved by the Board. St. Thomas agreed with Board staff that the Board decision did explicitly deny St. Thomas' request for recovery of unbilled MARR and also explicitly denied the request for establishing a deferral account for lost revenue. St. Thomas argued that these denials were only focused on collection amounts in rates. St. Thomas concurred with

Board staff submissions on Interest Expense used in the SIMPIL True-up Calculation. St. Thomas submitted a revised balance in 1562 of a debit of $848,695.

The Board will not approve the disposition of Account 1562 as filed. The Board is of the view that, as per the Board's decision and order in EB-2002-0109, the effective date for rates was November 1, 2002 and consistent with that decision, St. Thomas' PILs entitlement, from a rates perspective, began on that date. There is no question that St. Thomas was required to pay PILs from an earlier date. However, it was St. Thomas' responsibility to manage its affairs to ensure that its costs were reflected in rates in a timely manner. The decision of the Board in EB-2002-0109 is clear that St. Thomas did not do so. For the Board to now decide in this proceeding that St. Thomas' PILs entitlement in rates began earlier than November 1, 2002, the Board would, in effect, undo the decision in EB-2002-0109 and engage in retroactive rate-making. As such, the Board-approved accounting guidance for distributors following the standard application timing in that proceeding does not apply.

The Board acknowledges that actual, adjusted interest in this case is less than deemed interest and that the claw-back penalty does not apply.

The Board accepts the alternative calculation of the PILs proxy submitted by Board staff as an equitable and reasonable methodology and finds that the balance in account 1562 approved for disposition on a final basis is a credit balance of $278,574, representing principal and interest to April 30, 2012. The Board approves a one-year disposition period, from May 1, 2012 to April 30, 2013.

For accounting and reporting purposes, the balance of Account 1562 shall be transferred to the applicable principal and interest carrying charge sub-accounts of Account 1595 pursuant to the requirements specified in Article 220, Account Descriptions, of the *Accounting Procedures Handbook for Electricity Distributors*. The date of the journal entry to transfer the approved account balances to the sub-accounts of Account 1595 is the date on which disposition of the balances is effective in rates, which generally is the start of the rate year (e.g. May 1). This entry should be completed on a timely basis to ensure that these adjustments are included in the June 30, 2012 (3rd Quarter) RRR data reported.

Rate Model

With this Decision, the Board is providing St. Thomas with a rate model (spreadsheet) and applicable supporting models and a draft Tariff of Rates and Charges (Appendix A) that reflects the elements of this Decision. The Board also reviewed the entries in the rate model to ensure that they were in accordance with the 2011 Board approved Tariff of Rates and Charges and the rate model was adjusted, where applicable, to correct any discrepancies.

THE BOARD ORDERS THAT:

1. St. Thomas' new distribution rates shall be effective May 1, 2012.

2. St. Thomas shall review the draft Tariff of Rates and Charges set out in Appendix A. St. Thomas 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 **7 days** of the date of issuance of this Decision and Order.

3. If the Board does not receive a submission from St. Thomas to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Order, the draft Tariff of Rates and Charges set out in Appendix A of this Decision and Order will become final, effective May 1, 2012, and will apply to electricity consumed or estimated to have been consumed on and after May 1, 2012. St. Thomas shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

4. If the Board receives a submission from St. Thomas to the effect that inaccuracies were found or information was missing pursuant to item 2 of this Decision and Order, the Board will consider the submission of St. Thomas and will issue a final Tariff of Rates and Charges.

Cost Awards

The Board will issue a separate decision on cost awards once the following steps are completed:

1. VECC shall submit their cost claims no later than **7 days** from the date of issuance of the final Rate Order.

2. St. Thomas shall file with the Board and forward to VECC any objections to the

claimed costs within **21 days** from the date of issuance of the final Rate Order.

3. VECC shall file with the Board and forward to St. Thomas any responses to any objections for cost claims within **28 days** from the date of issuance of the final Rate Order.

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

All filings to the Board must quote file number **EB-2011-0196,** be made through the Board's web portal at, www.errr.ontarioenergyboard.ca and consist of two paper copies and one electronic copy in searchable / unrestricted PDF format. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at www.ontarioenergyboard.ca. If the web portal is not available parties may email their document to BoardSec@ontarioenergyboard.ca. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 2 paper copies.

DATED at Toronto, April 19, 2012
ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Appendix A

To Decision and Order

Draft Tariff of Rates and Charges

Board File No: EB-2011-0196

DATED: April 19, 2012

St. Thomas Energy Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2012

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

EB-2011-0196

RESIDENTIAL SERVICE CLASSIFICATION

This classification refers 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. 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	$	11.46
Distribution Volumetric Rate	$/kWh	0.0159
Rate Rider for Global Adjustment Sub-Account Disposition (2010) – effective until April 30, 2014 Applicable only for Non-RPP Customers	$/kWh	0.0003
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	$/kWh	0.0051
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2014	$/kWh	(0.0008)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	$/kWh	(0.0069)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism Recovery (2011) – effective until April 30, 2014	$/kWh	0.0004
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2012) – effective until April 30, 2013	$/kWh	0.0003
Rate Rider for Tax Change - effective until April 30, 2013	$/kWh	(0.0001)
Retail Transmission Rate – Network Service Rate	$/kWh	0.0070
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0055

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

St. Thomas Energy Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2012

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

EB-2011-0196

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification refers 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. 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	$	17.15
Distribution Volumetric Rate	$/kWh	0.0148
Rate Rider for Global Adjustment Sub-Account Disposition (2010) – effective until April 30, 2014 Applicable only for Non-RPP Customers	$/kWh	0.0003
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	$/kWh	0.0051
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2014	$/kWh	(0.0008)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	$/kWh	(0.0065)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism Recovery (2011) – effective until April 30, 2014	$/kWh	0.0003
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2012) – effective until April 30, 2013	$/kWh	0.0004
Rate Rider for Tax Change - effective until April 30, 2013	$/kWh	(0.0001)
Retail Transmission Rate – Network Service Rate	$/kWh	0.0069
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kWh	0.0051

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

St. Thomas Energy Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2012

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

EB-2011-0196

GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This classification refers 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. 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	$	70.97
Distribution Volumetric Rate	$/kW	3.1767
Rate Rider for Global Adjustment Sub-Account Disposition (2010) – effective until April 30, 2014 Applicable only for Non-RPP Customers	$/kW	0.1102
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013 Applicable only for Non-RPP Customers	$/kW	1.9365
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2014	$/kW	(0.3156)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	$/kW	(2.2190)
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery/Shared Savings Mechanism Recovery (2011) – effective until April 30, 2014	$/kW	0.1925
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2012) – effective until April 30, 2013	$/kW	0.0270
Rate Rider for Tax Change - effective until April 30, 2013	$/kW	(0.0101)
Retail Transmission Rate – Network Service Rate	$/kW	2.7425
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	2.0684

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

St. Thomas Energy Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2012

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

EB-2011-0196

SENTINEL LIGHTING SERVICE CLASSIFICATION

This classification refers to an account for individual lighting on private property 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. 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 (per connection)	$	4.72
Distribution Volumetric Rate	$/kW	5.7103
Rate Rider for Global Adjustment Sub-Account Disposition (2010) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	$/kW	0.1176
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013		
Applicable only for Non-RPP Customers	$/kW	1.8351
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2014	$/kW	(0.2510)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	$/kW	(2.8121)
Rate Rider for Tax Change - effective until April 30, 2013	$/kW	(0.0526)
Retail Transmission Rate – Network Service Rate	$/kW	1.7240
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.2993

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

St. Thomas Energy Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2012

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

EB-2011-0196

STREET LIGHTING SERVICE CLASSIFICATION

This classification refers 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 in the approved OEB street lighting shape template. 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 (per connection)	$	2.51
Distribution Volumetric Rate	$/kW	0.0245
Rate Rider for Global Adjustment Sub-Account Disposition (2010) – effective until April 30, 2014		
Applicable only for Non-RPP Customers	$/kW	0.0988
Rate Rider for Global Adjustment Sub-Account Disposition (2012) – effective until April 30, 2013		
Applicable only for Non-RPP Customers	$/kW	1.8376
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2014	$/kW	(0.2823)
Rate Rider for Deferral/Variance Account Disposition (2012) – effective until April 30, 2013	$/kW	(2.4720)
Rate Rider for Tax Change - effective until April 30, 2013	$/kW	(0.0314)
Retail Transmission Rate – Network Service Rate	$/kW	2.1149
Retail Transmission Rate – Line and Transformation Connection Service Rate	$/kW	1.5948

MONTHLY RATES AND CHARGES – Regulatory Component

Wholesale Market Service Rate	$/kWh	0.0052
Rural Rate Protection Charge	$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	$	0.25

St. Thomas Energy Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2012

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

EB-2011-0196

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.

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	$	5.25

St. Thomas Energy Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2012

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

EB-2011-0196

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)

SPECIFIC SERVICE CHARGES

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 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.

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.

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
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
Specific Charge for Access to the Power Poles – per pole/year	$	22.35
Disconnect/Reconnect Charge at customer's request - at meter during regular hours	$	65.00

St. Thomas Energy Inc.
TARIFF OF RATES AND CHARGES
Effective and Implementation Date May 1, 2012

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

EB-2011-0196

RETAIL SERVICE CHARGES (if applicable)

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.

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	1.0350
Total Loss Factor – Secondary Metered Customer > 5,000 kW	N/A
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0247
Total Loss Factor – Primary Metered Customer > 5,000 kW	N/A