



**EB-2011-0103**

**IN THE MATTER OF** a proceeding initiated by the Ontario Energy Board to set distribution rates for Wasaga Distribution Inc.

**Before:** Paula Conboy  
Presiding Member

Paul Quesnelle  
Member

### **INTERIM RATE ORDER**

On July 18, 2011 the Ontario Energy Board (the “Board”) on its own motion issued a Notice of Proceeding and Order Respecting Interim Rates (the “Notice”) to make an order fixing just and reasonable rates for Wasaga Distribution Inc. (“Wasaga”) pursuant to sections 19 and 78 of *Ontario Energy Board Act, 1998*. The Board assigned this proceeding File No. EB-2011-0103.

The Notice set out the underpinning circumstances and a number of Board expectations for the proceeding, namely that:

- (i) Wasaga would file its 2012 cost of service application in a timely manner, with the reminder that the deadline for filing cost of service applications for 2012 rates was August 26, 2011;
- (ii) The Board was concerned regarding the appropriateness of certain adjustments made by Wasaga in its calculations of the rate of return levels for 2009 and 2010; and,

- (iii) the issue of any over earnings for the remainder of the 2011 rate year, and the appropriate remedy (if any) to such overearnings would be an issue that may be explored in Wasaga's application for 2012 rates.

In this regard, the Board also declared Wasaga's existing rates interim effective July 18, 2011 and noted that this proceeding was held in abeyance pending the filing of the Wasaga's application for 2012 rates.

On April 25, 2012 the Board issued Procedural Order No.1 ("Procedural Order"), as of which date Wasaga had not yet filed its cost of service application for 2012 rates. The Procedural Order noted the Board's intention to issue a new interim rate order for rates effective June 1, 2012 to reflect a 4.4% downward adjustment to the existing base monthly service charge and base distribution volumetric rate for all customer classes. The Board indicated that the adjusted rates would be declared interim pending the Board's determination of the said application and that since interim rates are and will be in place, the Board would have the ability to retrospectively alter this adjustment (either higher or lower) as the evidence ultimately warrants. The Procedural Order also included the analysis and calculation supporting the 4.4% adjustment and indicated that the Board would consider any submissions filed by Wasaga on (i) the appropriateness of and the degree to which the Board intends to adjust Wasaga's rates, (ii) the manner in which the over earnings have been calculated in the Revenue Requirement Work Form and the calculation of the over earnings adjustment factor as shown in Appendix A [ as attached to the Procedural Order] and (iii) the manner in which the rates are proposed to be adjusted as shown in Appendix B [as attached to the Procedural Order].

Wasaga in a letter filed on May 7, 2012 stated that it is doing everything within its limited resources to file its application by the end of June 2012 and that it will not be submitting evidence on the adjustments to the existing rates described in the Procedural Order. Cognizant of the Board's concern for intergenerational inequity, Wasaga also proposed that the new rates be made effective May 1, 2012 rather than the anticipated date of June 1, 2012.

In light of the Board's continuing concern with the level of earnings generated by the existing rates and Wasaga's response of May 7, 2012, the Board finds that it is appropriate to implement a 4.4% downward adjustment to the existing base monthly service charge and base distribution volumetric rate for all customer classes on an

interim basis. The new Tariff of Rates and Charges will be effective May 1, 2012 and will be declared interim as of that date.

#### Rural or Remote Electricity Rate Protection

The new Tariff of Rates and Charges will reflect the Board's Decision with Reasons and Rate Order (EB-2011-0405), issued on December 21, 2011, that established 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. Wasaga shall begin applying the new charge effective May 1, 2012.

#### **THE BOARD ORDERS THAT:**

1. The Tariff of Rates and Charges set out in Appendix "A" of this Interim Rate Order is approved effective and implemented May 1, 2012 for electricity consumed or estimated to have been consumed on or after such date.
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 Wasaga service area.
3. The Tariff of Rates and Charges set out in Appendix A of this Order are declared interim as of May 1, 2012, and until such time as a final Rate Order is issued by the Board.
4. Wasaga shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

**DATED** at Toronto, May 15, 2012

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

**APPENDIX A**

**TO PROCEDURAL ORDER No.1**

**EB-2011- 0103**

**Wasaga Distribution Inc.**

**DATED: May 15, 2012**

# Wasaga Distribution Inc.

## INTERIM 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-2011-0103

## 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	\$	11.30
Distribution Volumetric Rate	\$/kWh	0.0141
Low Voltage Service Rate	\$/kWh	0.0014
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2013	\$/kWh	(0.0074)
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until April 30, 2014	\$/kWh	(0.0003)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0073
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0044

## 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

# Wasaga Distribution Inc.

## INTERIM TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2012

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EB-2011-0103

## 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.

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### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	13.05
Distribution Volumetric Rate	\$/kWh	0.0132
Low Voltage Service Rate	\$/kWh	0.0013
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2013	\$/kWh	(0.0076)
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until April 30, 2014	\$/kWh	(0.0009)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0038

### 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

# Wasaga Distribution Inc.

## INTERIM TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2012

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EB-2011-0103

## 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.

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### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	29.91
Distribution Volumetric Rate	\$/kW	4.5383
Low Voltage Service Rate	\$/kW	0.5507
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2013	\$/kW	(3.3316)
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until April 30, 2014	\$/kW	3.2601
Retail Transmission Rate – Network Service Rate	\$/kW	2.7313
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.5176

### 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



# Wasaga Distribution Inc.

## INTERIM TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 1, 2012

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EB-2011-0103

## UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification refers to an account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The customer will provide detailed manufacturer information/documentation with regard to electrical demand/consumption of the proposed unmetered load. 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)	\$	6.53
Distribution Volumetric Rate	\$/kWh	0.0132
Low Voltage Service Rate	\$/kWh	0.0013
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2013	\$/kWh	(0.0072)
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until April 30, 2014	\$/kWh	(0.0020)
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0067
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0038

### 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

# Wasaga Distribution Inc.

## INTERIM TARIFF OF RATES AND CHARGES

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## 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 load shape template. Further servicing details are available in the distributor's Conditions of Service.

### APPLICATION

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### MONTHLY RATES AND CHARGES – Delivery Component

Service Charge (per connection)	\$	0.23
Distribution Volumetric Rate	\$/kW	0.1373
Low Voltage Service Rate	\$/kW	0.4131
Rate Rider for Deferral/Variance Account Disposition (2010) – effective until April 30, 2013	\$/kW	(2.0606)
Rate Rider for Deferral/Variance Account Disposition (2011) – effective until April 30, 2014	\$/kW	(0.6695)
Retail Transmission Rate – Network Service Rate	\$/kW	2.0599
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.1732

### 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

**Wasaga Distribution Inc.**  
**INTERIM TARIFF OF RATES AND CHARGES**  
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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**

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

Service Charge	\$	5.25
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## 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

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Customer Administration		
Arrears certificate	\$	15.00
Statement of account	\$	15.00
Request for other billing information	\$	15.00
Easement letter	\$	15.00
Income tax 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
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
Disconnect/Reconnect at meter - during regular hours	\$	65.00
Disconnect/Reconnect at meter – after regular hours	\$	185.00
Disconnect/Reconnect at pole – during regular hours	\$	185.00
Disconnect/Reconnect at pole – after regular hours	\$	415.00
Install/Remove load control device – during regular hours	\$	65.00
Install/Remove load control device – after regular hours	\$	185.00
Service call – customer-owned equipment	\$	30.00
Service call – after regular hours	\$	165.00
Specific Charge for Access to the Power Poles \$/per pole/year	\$	22.35

Issuance Date: May 15, 2012

# Wasaga Distribution Inc.

## INTERIM TARIFF OF RATES AND CHARGES

### Effective and Implementation Date May 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	1.0739
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0632

Issuance Date: May 15, 2012