



EB-2012-0036

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15 (Schedule B);

AND IN THE MATTER OF an application by Niagara-on-the-Lake Hydro Inc. for an order or orders approving or fixing just and reasonable distribution rates related to Smart Meter deployment, to be effective May 1, 2012.

BEFORE: Ken Quesnelle
Presiding Member

Marika Hare
Member

FINAL RATE ORDER

July 12, 2012

Introduction

Niagara-on-the-Lake Hydro Inc. ("NOTL"), a licensed distributor of electricity, filed an application (the "Application") with the Ontario Energy Board (the "Board") on January 30, 2012 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 NOTL charges for electricity distribution, to be effective May 1, 2012.

NOTL sought Board approval for the disposition and recovery of costs related to smart meter deployment, offset by Smart Meter Funding Adder ("SMFA") revenues collected from May 1, 2006 to April 30, 2012. NOTL requested approval of proposed Smart Meter Disposition Riders ("SMDRs") and Smart Meter Incremental Revenue

Requirement Rate Riders (“SMIRRs”) effective May 1, 2012.

In its Decision and Order on the Application issued on June 7, 2012, the Board ordered NOTL to file with the Board a draft Rate Order attaching a proposed Tariff of Rates and Charges reflecting the Board’s findings, within 7 days of the date of the Decision and Order. In developing its draft Rate Order, NOTL was directed to establish the SMDRs based on a 22-month recovery period to April 30, 2014 and to accommodate within the SMDR the applicable revenue requirement amounts related to the months of May and June. The draft Rate Order was also to include customer rate impacts.

On June 11, 2012, NOTL filed revised models and a proposed Tariff of Rates and Charges. On June 18, 2012, Board staff filed a letter indicating that it had reviewed the material submitted by NOTL and submitted that the proposed Tariff of Rates and Charges should be revised to reflect the effective of May 1, 2012 and implementation date of July 1, 2012 for the rate riders, as approved by the Board in its Decision and Order. VECC did not submit any comments on the material filed.

The Board has reviewed the information provided by NOTL and Board staff’s comments on the proposed Tariff of Rates and Charges. The Board agrees with Board staff’s comments and is satisfied that the attached Tariff of Rates and Charges accurately reflects the Board’s Decision.

THE BOARD ORDERS THAT:

1. The revised Tariff of Rates and Charges set out in Appendix A of this Order will become final effective May 1, 2012 and will apply to electricity consumed or estimated to have been consumed on and after July 1, 2012. NOTL shall notify its customers of the rate changes no later than with the first bill reflecting the new rates.

DATED at Toronto, July 12, 2012

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Niagara-on-the-Lake Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective Date May 1, 2012 and Implementation Date July 1, 2012

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

EB-2011-0186
EB-2012-0036

RESIDENTIAL SERVICE CLASSIFICATION

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. 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.

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MONTHLY RATES AND CHARGES – Delivery Component

Service Charge	\$	18.22
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2014	\$	1.19
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	2.84
Rate Rider for Storm Cost Recovery – effective until April 30, 2013	\$	0.30
Distribution Volumetric Rate	\$/kWh	0.0128
Rate Rider for Deferral/Variance Account Disposition (2009) – effective until April 30, 2013	\$/kWh	0.0002
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0006)
Rate Rider for Storm Cost Recovery – effective until April 30, 2013	\$/kWh	0.0002
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0012

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

Niagara-on-the-Lake Hydro Inc.
TARIFF OF RATES AND CHARGES
Effective Date May 1, 2012 and Implementation Date July 1, 2012

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EB-2011-0186
EB-2012-0036

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

This classification applies to a non residential account taking electricity at 750 volts or less whose monthly average peak demand is less than, or is forecast to be less than, 50 kW. 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	\$	45.75
Rate Rider for Disposition of Residual Historical Smart Meter Costs – effective until April 30, 2014	\$	3.15
Rate Rider for Smart Meter Incremental Revenue Requirement – in effect until the effective date of the next cost of service-based rate order	\$	4.85
Rate Rider for Storm Cost Recovery – effective until April 30, 2013	\$	0.75
Distribution Volumetric Rate	\$/kWh	0.0137
Rate Rider for Deferral/Variance Account Disposition (2009) – effective until April 30, 2013	\$/kWh	0.0002
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2012) – effective until April 30, 2013	\$/kWh	0.0001
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0005)
Rate Rider for Storm Cost Recovery – effective until April 30, 2013	\$/kWh	0.0002
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0012

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

Niagara-on-the-Lake Hydro Inc.
TARIFF OF RATES AND CHARGES
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GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

This classification applies to a non residential account whose monthly average peak demand is equal to or greater than, or is forecast to be equal to or greater than 50 kW but less than 5,000 kW. 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	\$	326.84
Rate Rider for Storm Cost Recovery – effective until April 30, 2013	\$	5.73
Distribution Volumetric Rate	\$/kW	2.5541
Rate Rider for Deferral/Variance Account Disposition (2009) – effective until April 30, 2013	\$/kW	0.0470
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery (2012) – effective until April 30, 2013	\$/kW	0.0098
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.0808)
Rate Rider for Storm Cost Recovery – effective until April 30, 2013	\$/kW	0.0447
Retail Transmission Rate – Network Service Rate	\$/kW	2.4498
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.4394
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.6478
Retail Transmission Rate – Line and Transformation Connection Service Rate – Interval Metered	\$/kW	1.0569

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

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UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

This classification applies to an account taking electricity at 750 volts or less whose average monthly maximum demand is less than, or is forecast to be less than, 50 kW and the consumption is unmetered. Such connections include cable TV power packs, bus shelters, telephone booths, traffic lights, railway crossings, etc. The level of the consumption will be agreed to by the distributor and the customer, based on detailed manufacturer information/documentation with regard to electrical consumption of the unmetered load or periodic monitoring of actual consumption. 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 customer)	\$	54.05
Rate Rider for Storm Cost Recovery – effective until April 30, 2013	\$	0.89
Distribution Volumetric Rate	\$/kWh	0.0162
Rate Rider for Deferral/Variance Account Disposition (2009) – effective until April 30, 2013	\$/kWh	0.0033
Rate Rider for Tax Change – effective until April 30, 2013	\$/kWh	(0.0014)
Rate Rider for Storm Cost Recovery – effective until April 30, 2013	\$/kWh	0.0003
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0060
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0012

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

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STREET LIGHTING SERVICE CLASSIFICATION

This classification applies to an account for roadway lighting with a Municipality, Regional Municipality, Ministry of Transportation and private roadway lighting operation, controlled by photo cells. The consumption for these customers will be based on the calculated connected load times the required lighting times established by an approved OEB process. 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)	\$	4.96
Rate Rider for Storm Cost Recovery – effective until April 30, 2013	\$	0.05
Distribution Volumetric Rate	\$/kW	19.3864
Rate Rider for Deferral/Variance Account Disposition (2009) – effective until April 30, 2013	\$/kW	0.0965
Rate Rider for Tax Change – effective until April 30, 2013	\$/kW	(0.9864)
Rate Rider for Storm Cost Recovery – effective until April 30, 2013	\$/kW	0.1883
Retail Transmission Rate – Network Service Rate	\$/kW	1.8474
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	0.3397

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

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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	(0.56)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

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SPECIFIC SERVICE CHARGES

APPLICATION

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Customer Administration		
Arrears Certificate	\$	15.00
Statement of Account	\$	15.00
Pulling Post Dated Cheques	\$	15.00
Duplicate Invoices for Previous Billing	\$	15.00
Request for Other Billing Information	\$	15.00
Easement Letter	\$	15.00
Account History	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned Cheque Charge (plus bank charges)	\$	15.00
Charge to Certify Cheque	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special Meter Reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Non-Payment of Account		
Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of Account Charge – No Disconnection	\$	30.00
Disconnect/Reconnect Charges at Meter – During Regular Hours	\$	65.00
Disconnect/Reconnect Charges at Meter – After Regular Hours	\$	185.00
Disconnect/Reconnect Charges at Pole– During Regular Hours	\$	185.00
Disconnect/Reconnect Charges at Pole – After Regular Hours	\$	415.00
Service Call – Customer-owned Equipment – During Regular Hours	\$	30.00
Service Call – Customer-owned Equipment – After Regular Hours	\$	165.00
Install/Remove Load Control Device – During Regular Hours	\$	65.00
Install/Remove Load Control Device – After Regular Hours	\$	185.00
Temporary Service Install & Remove – Overhead – No Transformer	\$	500.00
Temporary Service Install & Remove – Underground – No Transformer	\$	300.00
Temporary Service Install & Remove – Overhead – with Transformer	\$	1,000.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35
Specific Charge for Bell Canada Access to the Power Poles – per pole/year	\$	18.36
Note: Specific Charge for Bell Canada Access to the Power Poles is valid only until the existing joint-use agreement is terminated.		

Niagara-on-the-Lake Hydro Inc.

TARIFF OF RATES AND CHARGES

Effective Date May 1, 2012 and Implementation Date July 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	1.0463
Total Loss Factor – Secondary Metered Customer > 5,000 kW	1.0156
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0358
Total Loss Factor – Primary Metered Customer > 5,000 kW	1.0055