

April 7, 2014

**Via courier and RESS**

Ms. Kirsten Walli, Board Secretary  
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Dear Ms Walli:

**Board File no. EB-2012-0383 - Notice of Proposal to Amend code dated March 20, 2014**

We are counsel to Rogers Communications Inc. ("Rogers") in respect of the above proceeding. Please accept this letter as Rogers' comments in response to the Board's invitation to interested parties to submit comments on the above captioned Notice by April 7, 2014.

Rogers is an integrated cable and communications company that receives electricity for its cable signal amplification power supplies ("cable TV power supplies") from distributors throughout Ontario. Rogers has participated in numerous proceedings before the Board relating to Unmetered Load prior to the proceeding under this file number, including:

- 1 RP-2004-0188 (2006 Electricity Distribution Rates);
- 2 RP-2005-0317 (Review of Electricity Distributor Cost Allocation Methodologies);
- 3 EB-2007-0667 (Review of Electricity Distributors' Cost Allocation Filings);
- 4 EB-2007-0031 (Rate Design for Recovery of Electricity Distribution Costs);
- 5 EB-2007-0681 (Hydro One Networks Inc. 2008 Distribution Rates Application); and
- 6 EB-2010-0219 (Review of Electricity Distribution Cost Allocation).

As an intervenor and stakeholder involved in the above proceedings, Rogers has filed comments on Board staff discussion papers and reports to the Board staff by consultants, and has participated on technical advisory teams and working groups in respect of issues relating to Unmetered Load, such as cost allocation, rate design, weighting factors and customer classification.

Rogers participated as a stakeholder in the sessions in this proceeding leading to the Elenchus Report issued May 17, 2013 and the Report of the Board: Review of the Board's Cost Allocation Policy for Unmetered Loads (the "Report") dated December 19, 2013.

For more than a decade, Rogers has participated in Board-driven processes and worked directly with LDCs:

- In respect of issues related to load estimation and load shapes, as they relate to cost allocation and development of rates for unmetered loads; and
- To improve the understanding that LDCs, Board staff, and the stakeholder community have of the technology of cable TV power supplies, their consumption and their load shape.

At the time of the initial development of the Board's cost allocation model and report approving methodologies, Rogers participated in a sampling study of Unmetered Load devices, which demonstrated that:

- The load shape of cable power supplies is flat;<sup>1</sup> and
- The name plate capacity of the power supplies cannot be used to estimate total consumption because it would significantly overstate that consumption.

Rogers has worked directly with LDCs to develop protocols for the detailed reporting of the total population of its power supplies in each LDC's service territory, and to provide and support the data on which its consumption estimates are based.

Rogers' position on the proposed amendments is as follows:

- 1 At a high level, Rogers supports the proposed wording of the Code amendment, as set forth in the Notice. Rogers believes that its own practices in providing information to LDCs are consistent with the intent of the amendment. As noted above, Rogers participates in Board initiatives and communicates with LDCs regarding issues related to cost allocation and rates for Unmetered Loads.
- 2 The Code amendment being proposed will result in LDCs reviewing and rewriting their Conditions of Service with respect to Unmetered Load. To the extent that the sample conditions of service provided in the Elenchus Report (the "Sample Conditions of Service")<sup>2</sup> is included as a guide for conditions of service that are to be incorporated by LDCs pursuant to the Code amendment, Rogers is concerned about provisions of the Sample Conditions of Service that have the potential to be applied unfairly or unreasonably.<sup>3</sup> Rogers submits that the Sample Conditions of Service requires clarification and, in particular, that the Board must provide direction to LDCs, as part of and in parallel with this process, to ensure that:
  - (a) customers are treated consistently as to class membership among LDCs and over time;
  - (b) the measures necessary to ensure provision of adequate data to LDCs are administered in a manner that avoids unnecessary duplication of costs;
  - (c) provisions with respect to class membership are properly defined so that loads are not inappropriately excluded; and
  - (d) the approach used to estimate consumption of the device should reflect the true consumption of the device.

<sup>1</sup> The total cable TV power supply load shape is flat except for an extremely small, weather-sensitive component, which the sampling analysis has confirmed can be estimated with high accuracy and without the need for metering.

<sup>2</sup> Excerpt from the Hydro Ottawa Conditions of Service.

<sup>3</sup> Rogers is satisfied with the manner in which Hydro Ottawa has, to date, administered its Conditions of Service with regard to cable TV power supplies.

The following outlines Rogers' specific concerns in respect of the Sample Conditions of Service.

## **I. Eligibility for the Unmetered Load Classification**

The Board Report in EB-2010-0219, "Review of Electricity Distribution Cost Allocation Policy" stated as follows:<sup>4</sup>

"As part of their next cost of service application, the Board expects each distributor to include a separate unmetered scattered load ("Unmetered Load") class in their CA Model and on their proposed Tariff of Rates and Charges. A distributor that does not believe that it is necessary to create a separate Unmetered Load rate class would have to demonstrate to the Board the benefits of not creating such a class."

Although the Report provides that distributors are required to maintain a separate Unmetered Load rate class, it does not provide a list of the types of loads or devices to be included in the class.

According to Appendix A of the Distribution System Code (DSC), every distributor is required to produce its own "Conditions of Service" document, encompassing "local characteristics and other specific requirements". Rogers is concerned with the manner in which the Sample Conditions of Service determines the device types and load sizes that are eligible to be included in the Unmetered Load class. In particular, Rogers is concerned that the Sample Conditions of Service provides LDCs with the discretion to determine eligibility of devices and loads for the Unmetered Load class. This could lead to different LDCs creating different definitions for inclusion in the Unmetered Load class such that a device treated by one LDC as part of the Unmetered Load class may be excluded from the Unmetered Load class of another LDC. As well, the Sample Conditions of Service appears to allow an LDC to change its definition for inclusion in the Unmetered Load class, with the result that an Unmetered Load customer cannot be assured of stable and consistent treatment as to classification and rates over time.

Given that the Board has already established the requirement for an Unmetered Load class, Rogers submits that the Board should establish a definition of Unmetered Load loads that assures uniform treatment by all LDCs of eligible devices that meet the applicable criteria. Further, an LDC should not have the discretion to determine that devices which have already been proved to meet the criteria of confidence as to estimation of load and load shape are ineligible for classification as Unmetered Load.

The Sample Conditions of Service also specify a requirement for costly testing plans to establish the qualification of a device. Rogers recommends that devices widely recognized as eligible for Unmetered Load classification be exempt from such requirements, and that the requirement should only be applicable when new technology is introduced and where appropriate. As well, Rogers submits that in order to avoid unnecessary duplication of testing costs:

- The results of a testing plan carried out independently for one LDC should be binding on other LDCs, absent demonstrated and supportable reasons otherwise; and
- LDCs should be encouraged to accept the results of reasonable, in-house testing plans.

Rogers is also concerned that the Sample Conditions of Service sets a limit of 15 Amps on the size of certain loads eligible to be unmetered. This is problematic because cable TV power supplies are increasingly using 20 Amp breakers for technical reasons (e.g. in order to avoid surges), notwithstanding that the equipment and load remain unchanged. In Rogers' submission, it would be inappropriate to exclude otherwise eligible load

<sup>4</sup> EB-2010-0219, Board Report - Review of Electricity Distribution Cost Allocation Policy (March 31, 2011), page ii

simply due to the installation of 20 Amp breakers which are required for technical reasons that do not impact load. Therefore, Rogers submits that:

- 1 If size is set as a criterion for Unmetered Load class eligibility, there should be technical reasons supporting the criterion, and
- 2 The size of the actual load, and not the size of breaker, should define the criterion.

**II. Requirement that the estimate of consumption reflect the real consumption of the device**

The Sample Conditions of Service specifies device nameplate wattage as one basis for determining consumption. Rogers has repeatedly demonstrated to LDCs that the actual consumption of its cable TV power supplies is far lower than an estimate of consumption on the basis of nameplate wattage.<sup>5</sup>

Rogers recommends that:

- 1 Conditions of Service documents stipulate that reasonably supported technical data provided by the customer in respect of the device should be an accepted basis for estimation of consumption, rather than basing consumption on nameplate wattage; and
- 2 That in order to avoid unnecessary duplication of testing costs, LDCs should be required to adopt consumption confirming studies performed by other LDCs in respect of the same device.

With regard to the recommended requirement to improve communication with Unmetered Load customers in respect of load shapes, cost allocation and rate setting, Rogers remains interested in participating in stakeholder information and interaction processes with individual LDCs and in Board-driven processes focused on these issues. Rogers recommends that, where efficient to do so, LDCs should collaborate among themselves and with the Board to develop and make available presentations or study materials that will enhance the understanding that customers have of these important issues.

All of which is respectfully submitted.

Yours truly,



Robert Frank  
RIF/sm

Copy to: John L. Armstrong, Rogers Communications Inc.

<sup>5</sup> To Rogers' understanding, this is well-understood and has long-been accepted by LDCs and other stakeholders.