

**NOVA SCOTIA UTILITY AND REVIEW BOARD**

**IN THE MATTER OF THE PUBLIC UTILITIES ACT**

– and –

**IN THE MATTER OF AN APPLICATION** by the **TOWN OF LUNENBURG** on behalf of its **ELECTRIC UTILITY** for Approval of Amendments to its Schedule of Rates for the provision of electric supply and services to its customers and its Schedule of Regulations

**BEFORE:**



Peter W. Gurnham, Q.C.

**ORDER**

**WHEREAS** the Town of Lunenburg Electric Utility (“Utility”), filed an application with the Nova Scotia Utility and Review Board (“Board”) for approval of amendments to its Schedule of Rates and Regulations;

**AND WHEREAS** after due public notice, a hearing was held on November 20, 2013, and the Board issued its Decision on December 5, 2013;


**AND WHEREAS** the Board, in its Decision, ordered the Utility to file a Compliance Filing that recalculates the rates in accordance with the findings of its Decision;

**AND WHEREAS** the Utility filed its Compliance Filing on December 11, 2013.

**IT IS HEREBY ORDERED** that the Schedule of Rates, attached hereto as Schedule “A”, be approved for electric supply and services rendered on and after January 1, 2014;

**IT IS FURTHER ORDERED** that Sections 6.10 to 6.14 of the Schedule of Rules and Regulations, attached hereto as Schedule “B”, be approved effective January 1, 2014;

**DATED** at Halifax, Nova Scotia, this 11<sup>th</sup> day of December, 2013.



Clerk of the Board

**NOVA SCOTIA UTILITY AND REVIEW BOARD**

**IN THE MATTER OF THE PUBLIC UTILITIES ACT**

- and -

**IN THE MATTER OF** the Application of the **Town of Lunenburg** on behalf of its **Electric Utility** for approval of amendments to its Schedule of Regulations, Regulation 2.3 - Deposits

**BEFORE:**  Murray E. Doehler, CA, P.Eng., Member

**ORDER**

**WHEREAS** the **Town of Lunenburg**, on behalf of its **Electric Utility**, (the "Utility") filed an application to the Nova Scotia Utility and Review Board (the "Board") on December 15, 2011, for approval of amendments to its Schedule of Regulations, Regulation 2.3 - Deposits;

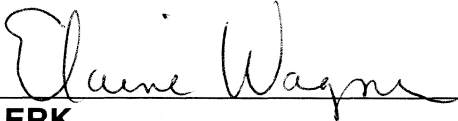
**AND WHEREAS** the Board heard the application by way of a written hearing process with final dates for filing submissions of February 21, 2012;

**AND WHEREAS** the Board carefully considered the application and is satisfied that the amendment provides a fair and reasonable balance between interest received and interest paid out on ratepayers' deposits;

**IT IS HEREBY ORDERED** that the Schedule of Regulations, as amended, attached hereto as Schedule "A" be approved, and become effective on and after May 1, 2012.

**DATED** at Halifax, Nova Scotia, this 23<sup>rd</sup> day of April, 2012.

**BY ORDER OF THE BOARD**

  
\_\_\_\_\_  
**CLERK**

**SCHEDULE A  
TOWN OF LUNENBURG  
ELECTRIC UTILITY  
SCHEDULE OF REGULATIONS GOVERNING  
THE SUPPLY OF ELECTRIC SERVICE**

**(Effective May 1, 2012)**

**(Amended by Order Dated April 23, 2012) & December 11, 2013**

**SECTION 1 - GENERAL**

**1.1 INTERPRETATION**

In this Schedule, unless the context otherwise requires:

Town means the Electric Utility of the Town of Lunenburg.

Connected load means the maximum demand a customer could place upon the Town's electrical system by the simultaneous use of all the electrical apparatus existing on his premises and connected or connectable to the Town's system.

Customer means any person or other entity who purchases electric service from the Town under the rates and regulations fixed and approved by the Nova Scotia Utility and Review Board. Purchasers of materials or jobbing and contracting services from the Town are not customers by virtue of such purchases.

Demand means the rate of flow of energy into a consuming electrical installation measured in kilowatts (KW); or where specifically indicated, the rate of flow of apparent energy measured in kilovolt amperes (MVA).

Electric Service means service provided by the Town to a customer subject to the rates and regulations fixed and approved by the Nova Scotia Utility and Review Board. This will normally consist of the supply of electric power and energy, but may, where the context requires, include the provision and maintenance of equipment.

Energy means electric energy measured in kilowatt-hours (kWh).

Internal Distribution System means the electrical equipment within or upon the premises of a customer intended to receive, distribute and utilize electricity supplied by the town.

Kilowatt means the basic unit for the measurement of power. One kilowatt equals 1,000 watts.

KVA means the basic unit for the measurement of apparent power. One KVA equals 1,000 volt amperes.

Maximum Demand means the greatest amount of power, measured in KW or KVA and averaged over a period of approximately fifteen minutes, supplied to a customer during any one billing period.

Meter means a device owned by the Town and placed on the customer's premises to measure and record the customer's demand or energy use or both.

Meter Seal means a seal affixed to a meter in such fashion as to require breakage of the seal in order to obtain access to the working parts of the meter.

Power means the rate of flow of energy in a circuit. In these regulations, unless the context requires otherwise, power means the rate of flow of energy from the Town's distribution system to a customer's installation.

Power Factor means the ratio of real power (KW) to apparent power (KVA).

Primary means the high voltage side of a transformer as opposed to the low voltage or secondary side. The primary side is the supply side.

Secondary: See Primary

Service means the wiring and ancillary equipment owned by the Town through which electric service is supplied to a customer.

Service Entrance means that part of a customer's electrical installation to which the Town's service is attached.

Temporary Service means electric service which by its nature will require installation and removal of the Town's service equipment and where the duration of service can be forecast to be limited to a period of not more than two years.

Committee means the Town of Lunenburg Transportation/Utilities Committee.

Utility means the Town of Lunenburg Electric Utility.

Farming and Fishing Unit means a farming or fishing - business as one location whether single or family operation; partnership or incorporated business.

Primary Metering means metering on the high voltage side of the transformer supplying the customer.

Secondary Metering means metering on the low voltage side of the transformer supplying the customer.

Service Extension means an extension of the Utilities overhead distribution facilities to serve a single customer.

## 1.2 NO CONTRARY REPRESENTATION

No agent, representative, employee or servant of the Town shall have any authority to make any agreement, promise or representation inconsistent with or repugnant to these regulations.

## SECTION 2 - CUSTOMER SERVICE CONNECTION

### 2.1 AVAILABILITY OF SERVICE

The supply of electric service by the Town shall be conditional upon:

- (1) Possession by the customer of an internal distribution system complying with all relevant statutory requirements, including but not necessarily limited to the Electrical Installation and Inspection Act; and
- (2) Provision by the customer of a suitable service entrance, a right-of-way acceptable to the Town for access to the Town's lines to the service entrance, and space for the location of such plant and equipment as may be necessary to supply the required service; and
- (3) Compliance with these regulations.

### 2.2 APPLICATION FOR SERVICE

No electric service shall be rendered until the Town's regular application form has been completed, signed by the prospective customer or his authorized agent and received by the Town, along with the appropriate deposit in those instances where one is required.

The Committee may refuse to provide electric service at any premises if:

- (a) The customer applying for electric service has an outstanding electric service account and satisfactory arrangement for settlement has not been made, or
- (b) The customer applying is an agent for another customer and that customer has an outstanding electric service account and satisfactory arrangement for settlement has not been made, or

- (c) The occupant of the premises has an outstanding account incurred when occupying a premises at the same time as the customer applying for the service and satisfactory arrangements for settlement have not been made.

## 2.3 DEPOSITS

When requested by the Town, a Customer shall deposit with the Town a sum equal to estimated charges for two months' service. This deposit is to be held by the Town as security for the payment of its bills. When the customer ceases to use the service and pays all bills, or the Town deems a deposit is no longer required, the deposit with interest, based on TD Canada Trust price rate minus 2% (set January 1<sup>st</sup> each year), is to be returned to the customer. The Town shall review its customer deposits every three years with a view to determining whether or not a deposit is still required.

*(amended by Order dated April 23, 2012).*

The Town shall inform the customer that the requested deposit can be made in three equal monthly installments.

If a customer does not pay a deposit as requested by the Town, the Town may refuse to provide service or disconnect the customer's service.

### Residential Electric Service

The Town shall not require a deposit from a residential customer, unless one of the following conditions has occurred within the last three years of service from the Town:

- (a) The customer does not have a previous credit history with the Town and does not have an acceptable external credit rating.
- (b) The customer's service has previously been disconnected for non-payment.
- (c) The customer refuses to supply necessary customer data to meet the Town's requirements.
- (d) The customer has obtained or attempted to obtain service through misrepresentation, tampering, theft, interference, or any other related illegal means.
- (e) The customer has been delinquent requiring disconnection communication and/or field collection visits or has presented cheques that were returned noted N.S.F.
- (f) The customer has a record of moving without notice.
- (g) The customer has filed for bankruptcy and has chosen to claim his electric service account in the bankruptcy.

## Non Residential Electric Service

When a non residential customer applies for service, the Town will normally require a deposit. This includes non residential customers on the Domestic Service Rate.

A deposit from a Business or Commercial customer may not be required if any of the following conditions apply:

- (a) The customer has existing accounts which have been paid satisfactorily for a period of not less than two years, in which case the account(s) are considered to be established as credit worthy.
- (b) The customer is a subsidiary of an established existing customer and that parent organization has guaranteed payment of the account.
- (c) The customer is a Federal, Provincial or Municipal Government body with whom the Town has had no recent collection activity or difficulties.

### **2.4 CONNECTION CHARGE**

A charge of \$20.00 shall be made for the initial connection of any service. This charge shall apply to both permanent and temporary services. It shall also apply in cases where a service is transferred from one customer to another, notwithstanding the fact that no physical disconnection may have occurred. If this connection is requested outside normal working hours all appropriate labor chargeout rates would also apply.

### **2.5 LIABILITY OF THE CUSTOMER**

The application for electric service cannot be assigned or transferred without the written consent of the Town. If the customer leaves or abandons the premises or discontinues in any way the use of electric service, the customer shall give such notice. He shall continue to be liable to the Town for the value of all electric service supplied to the said premises both before and after his departure or abandonment thereof. In the event of dispute, proof of notice must be provided by the customer.

### **2.6 SERVICE VOLTAGES**

Service shall normally be supplied by the Town at standard distribution voltages, but may, upon the request of any customer and the agreement of the Town, be supplied at other voltages. The standard voltages are:

Single phase, three wire - 120/240 volts  
Three phase, three wire - 240 volts

Three phase, three wire - 600 volts  
Three phase, four wire - 120/208 volts  
Three phase, four wire - 347/600 volts

## **2.7 TRANSFORMER INSTALLATIONS**

Any customer with a maximum demand of more than 25 kilowatts shall, when in the Town's opinion it is necessary for efficient service, provide suitable space on the customer's premises for a transformer installation. The nature of the said space may be a vault, an interior enclosure, external-space for a transclosure, pad-mounted transformers or pole-mounted transformers, as may be required by the Town. In each case, the customer shall provide a right-of-way for both primary and secondary circuits.

## **2.8 TEMPORARY SERVICE**

Customers requiring temporary service shall pay to the Town for the service at the applicable rate. The Town will charge for the cost of installing and removing the service connections and all other related connection and re-connection costs if the installation requires more than one (1) hour to complete. All installations taking less than one (1) hour will be billed based on Regulation 2.4. If the period of use includes a part of a month, the base charge shall be calculated on the full month.

## **2.9 SERVICE EXTENSIONS**

Service extensions shall be erected, owned and maintained by the Town over a clear right-of-way provided by the customer to the satisfaction of the Utility. This right-of-way is provided at the customer's expense.

The length of a service extension shall be the distance in metres from the Town's nearest line pole to the customer's service entrance or outdoor distribution centre, via the route of the extension.

When the extension is required to serve a residential or general load, and the total length is equal to or less than 55 metres, the Town shall construct the extension at its own cost. When the total length exceeds 55 metres the customer shall pay to the Town a contribution equal to the actual cost incurred for the total, on the total length less the average cost for 55 metres.

Any contribution calculated as above shall be refunded without interest if and when additional loads are served from the extension within three (3) years from the date the extension is completed. The refund for each new load shall be the lesser of the additional loads unused free (55 metres) service allowance or the remaining unrefunded contribution.



Where it is necessary to build on the customer's property, the customer must grant to the Town a registerable easement in a form satisfactory to the Town.

## **2.10 UNDERGROUND ELECTRIC SERVICES**

**Distribution Systems** - The Town may supply, install, maintain and own underground distribution systems. A party requesting the installation of an underground distribution system will be required to make a capital contribution to the Town, equivalent to the difference in cost between the underground system installed and overhead distribution facilities it would otherwise provide. If the overhead distribution services are already installed, the capital contribution will be the full cost of removing the overhead distribution facilities and installing an underground system including transformers, conductors and conduits and the cost of installing the same. Normally the party requesting the service will be required to install it to Towns standards subject to Town inspection.

**Secondary Services** - The Town is not required to install underground secondary voltage services; however, in the event the Town installs an underground distribution system, consideration will be given towards the supply and installation of such electric services by the Town, at the customer's expense. The applicable requirements are the same as for distribution systems. The customer will be responsible for ownership, maintenance and replacement when necessary. Normally the customer will be required to effect all necessary repairs and replacement to Town standards subject to Town inspection.

**Primary Services** - The Town will normally own the primary voltage cable in a customer-owned duct system. In the event that a primary service must be replaced, extended or repaired, the customer is responsible for any and all costs associated with the duct system. In this event, the Town will maintain service by temporary means but if it is deemed that service interruption results from failure of the duct system, the customer will be responsible for temporary service costs as well as all costs associated with repairs to the service.

**Replacement of Existing Systems** - The Town will be responsible for costs associated with the best (generally lowest cost) supply option should an underground system (or any part thereof) have to be replaced. Where this option is another underground system the existing system would be replaced in kind. However, should the best option be overhead supply, and the customer wishes to continue to be served with underground service, the customer(s) will be required to make a new capital contribution, equivalent in cost to the difference between the overhead supply and the underground system.

## **2.11 SERVICE CHANGES**

If changes in the Town's plant and equipment installed to provide electric service to a customer, are requested or required by a customer, the Town shall, if it is

able to do so without prejudice to safety and operational efficiency, make such changes, and the costs thereof shall be borne by the customer.

## **2.12 TERMINATION OF SERVICE**

Termination may be effected by one week's written notice, given by the customer and received by the Town. Termination may be effected by the Town for cause in the manner prescribed in these regulations.

## **SECTION 3 - MISCELLANEOUS SERVICE CONDITIONS**

### **3.1 RIGHT OF ACCESS**

Representatives of the Town shall have right of access, at all reasonable times, to meters and other Town plant located upon customers' premises, for the purpose of reading, testing, inspection, repair or removal.

### **3.2 PROHIBITED APPLIANCES**

Services may be refused or discontinued by the Town to any customer who installs or uses any device or appurtenance which may occasion sudden large changes of demand, thereby overloading the Town's plant and equipment or interfering with voltage regulation thereof, or which, in the opinion of the Town, is unsafe or hazardous or has not been properly designed and constructed or satisfactorily maintained.

### **3.3 DISCONTINUING SERVICE FOR VIOLATION**

Whenever, in the opinion of the Town, violation of any of these rules and regulations is existing or has occurred, the Town may discontinue service to the premises where such violation is existing or has occurred. Service shall not be re-established until the Town is satisfied that the cause for discontinuance has been removed.

### **3.4 LIABILITY OF UTILITY**

The Utility shall not be deemed to guarantee an uninterrupted supply and shall not be liable for any damage or injury caused or done by reason of the interruption of supply or by any cause, beyond the reasonable control of the Utility, including interruption for maintenance and/or repair deemed necessary by the Utility.

## **SECTION 4 - METERING**

### **4.1 SEAL OF METERS AND/OR THEFT OF ENERGY**

No customer shall, under any circumstances, tamper with meter seals. Where there is evidence of tampering or theft of power or where a customer breaks or causes to be broken the seal of any meter, service may be discontinued without notice and the person or persons responsible shall be liable to prosecution under the Criminal Code of Canada.

### **4.2 MAXIMUM DEMAND**

Where service is supplied under rates including a demand charge, the Town shall install a maximum demand meter and shall use as the basis of demand charges the maximum demand recorded by the meter during each billing period.

### **4.3 PRIMARY METERING**

Metering will normally be at the secondary side of the transformer from which service is supplied. Should the customer's requirements make it necessary for the Town to provide primary metering then the customer shall be required to make a capital contribution equal to the additional cost of the primary metering.

### **4.4 POWER FACTOR**

The Town may require every customer served under rates including a demand charge to maintain a power factor of 90 percent or more and may refuse service to any new customer whose installation is not capable of maintaining a 90 percent power factor.

In the event that any existing customer fails to maintain a power factor of 90 percent or greater, the Committee may install a KVA meter and compute the customer's maximum demand as 90 percent of the measured maximum KVA demand.

## **SECTION 5 - BILLING AND METER READING**

### **5.1 BILLING**

Bills shall be rendered to each customer at regular intervals of not more than two months, but the Town may at its discretion render bills on a monthly basis to customers in certain classes or locations. Bi-monthly bills shall be calculated by doubling the monthly base charge and doubling the size of monthly energy blocks.

## **5.2 PAYMENT OF BILLS, OVERDUE INTEREST CHARGES, AND RETURNED PAYMENT CHARGE**

Bills are due and payable when rendered. Accounts unpaid after fifteen (15) days from the date of billing will be subject to overdue interest charges at the rate of 1.5% per month or each part thereof. Where payment is not honoured by the customer's financial institution, a returned payment charge of \$20.00 will be applied.

## **5.3 DISCONNECTION FOR NON-PAYMENT OF BILLS**

In the event of non-payment of any bill within thirty days of the date rendered, the Town may issue an arrears notice. If the bill remains unpaid forty days from the date rendered, the Town may issue a final notice. Unless the bill is paid within five working days after the issuance of a final notice, and if the amount of the bill is not in dispute, the Town may discontinue the service. Where the bill is disputed by the customer, such dispute shall be adjudicated by a member of the Committee within three working days after the issue of a final notice, and if the adjudicator finds that the bill is valid, he may, at his discretion, order a longer period before disconnection of service.

## **5.4 RE-CONNECTION CHARGE**

If a service is disconnected for non-payment of bills, or at the request of the customer for any reason, a charge of \$20.00 shall be made for subsequent reconnection. If this connection is requested by the customer outside normal working hours all appropriate labour charge-out rates would also apply.

## **5.5 ESTIMATED READINGS**

Should the Town be unable to obtain a meter reading for billing purposes during normal working hours, then it shall estimate the probable amount of energy consumed on the basis of the best date available. Under no circumstances may estimated readings be used for more than four months.

In the event that the Utility is prevented by some act or omission of the customer or the nature of the customer or the nature of the customer's installation from obtaining meter readings in four successive months, the customer shall provide at the customer's expense, for installation of an outside meter in a place accessible to the Utility. If a customer fails to take the necessary steps to ensure that the Utility has access to the meter the Utility may discontinue electric service to the customer until the problem has been rectified.

When actual readings are obtained subsequent to estimated readings, the Utility shall make the necessary adjustments to the customer's account.

If arrangements suitable to the Town cannot be made for access to the customer's meter at the normal reading time, the Town may require the installation of an outside meter. The cost shall be borne by the customer. In all new single family dwellings, the customer shall provide a service entrance with socket for an outside meter.

If the meter is located in such a position that it is subject to damage, the Town shall have the right to provide suitable protection or to move the meter to a new location, and the costs thereof shall be borne by the customer.

Any customer with an existing indoor meter who makes any change in the service entrance will be required to relocate the meter outdoors.

When an addition to premises result in an outdoor meter being located inside the building then the meter must be relocated outdoors.

If in the opinion of the Committee any customer has failed to comply with these regulations the Committee may after written notice to the customer disconnect the electric services to this customer.

## **5.6 DISPUTE TEST**

Any customer who believes the meter through which he receives service to be inaccurate shall be entitled to a dispute test. Such test may be arranged by notifying the Utility. If, after the Utility's test, the customer is not satisfied with the results, they may apply to Industry Canada for a further test. Under either alternative, if the meter fails to comply with all the prescribed tests, an adjustment shall be made to the customer's billings based on the findings. If, on the other hand, the meter is found to pass all prescribed tests, the customer shall be liable to pay costs involved in removing, testing and re-installing the meter. The Town shall also require that a deposit be made to the Utility for the estimated amount of costs associated with the test.

## **5.7 BILLING ADJUSTMENTS**

In the event that it becomes necessary for the Utility to adjust a customer's bill for any reason including, but not limited to meter damage, tampering, broken seal, inaccuracy, erroneous reading or customer information entered on billing system incorrectly, the Utility shall make the proper billing adjustment or, if exact figures are not known, the Utility shall estimate the amount of power and energy used on the basis of the best available data and shall adjust the bill accordingly. Should the adjustment result in an increase in billing such adjustment shall be due and payable on the next regular due date for electric light billings. Should the adjustment result in a decrease in billing such adjustment shall be credited to the customer's account at the time of preparation of the next bill, except when the

decrease is because of an error in the amount of electricity consumed, in which case, the adjustment shall be due and payable immediately .

Billing adjustments resulting from underbilling of the customer shall be limited to a period not in excess of six (6) months prior to the last scheduled meter reading date.

Billing adjustments resulting from overbilling of the customer shall be limited to a period not in excess of two (2) years prior to the last scheduled meter reading date except when a customer has been overbilled because of an error in the amount of electricity consumed, in which case, the Utility will reimburse the customer for the full amount of any error contrary to, and as calculated in accordance with, the Electricity and Gas Inspection Act, R.S., 1985 c.E-4 and Regulations, as amended. ***(Amended by Order dated May 9, 2006)***

#### **5.8 UNMETERED SERVICE**

Electric service shall be metered; except that the Town may, in instances where power and energy consumption are small and readily determined, provide unmetered electric service. In such cases, the demand and monthly energy used shall be agreed between the Town and the customer, and the bill shall be calculated on the basis of rates in effect for the class of service provided.

#### **5.9 MULTIPLE METERING POINTS**

If, because of the customer's requirements, it is necessary to deliver power and energy through more than one metering point, then the power and energy recorded on each meter shall be billed separately and at the rate applicable to the load served through each meter.

#### **5.10 PREMISES JOINTLY USED FOR RESIDENCE AND COMMERCIAL PURPOSES**

When a customer uses part of his premises as a residence and part for commercial or other use, the domestic rate shall be applied to the entire premises, provided the connected load in the commercial portion is not greater than 500 watts. Otherwise, the applicable general rate shall be applied to the entire premises or, at the customer's option, the domestic service and that general service shall be separated and the Town shall install the meter on each, billing each service at the applicable rate.

#### **5.11 SEASONAL ELECTRIC SERVICE**

Seasonal electric shall apply to any self-contained domestic electrical service where the premises supplied are occupied on an intermittent basis, such as

summer homes, cottages, hunting and fishing camps, and the Town is satisfied that the premises are not the customer's permanent or primary residence.

The contract period for all domestic seasonal accounts shall be from May 1 to October 31 in any calendar year. Electric service to seasonal customers shall remain connected during the winter period from November 1 to the following April 30, but the base charge shall not be charged nor will bills be rendered during this period. Energy used after October 31 shall be billed on the first regular billing after May 1 of the following year, or the final bill, whichever comes first. If the electric service is physically disconnected at the request of the customer, regulation 5.4 shall apply.

#### **5.12 CONVERSION OF SINGLE FAMILY RESIDENCES**

If a domestic customer permits additional living quarters for another party in the same or separate premises to be supplied with electricity through their meter, the Committee, shall multiply the base charge by the two dwelling units involved. If the customer permits more than two additional living quarters to be supplied with electricity through their meter, the Committee shall disconnect the service supplying the customer until the electrical service for each dwelling unit has been connected through a separate meter in the normal fashion.

#### **5.13 FARMING AND FISHING UNITS**

Farming or fishing units may receive electric service at the domestic rate providing the following conditions are met:

- (a) each unit may have connected up to 200 amps single or combined service capacity, at voltages up to 240 volts, billed on the domestic rate; service capacity in excess of the 200 amp allowance will be billed at the applicable Non Domestic rate; and
- (b) the service capacity must be served by no more than three separately metered services.

The Residence or residences will be metered separately for the purpose of this regulation.

A single metered service with capacity in excess of 200 amps will be billed on the applicable Non-Domestic rate.

Service capacity of an accessory farm or fishing building served through the residence meter will be considered part of the unit total.

NOVA SCOTIA UTILITY AND REVIEW BOARD

IN THE MATTER OF THE PUBLIC UTILITIES ACT

- and -

IN THE MATTER OF AN APPLICATION by the TOWN OF LUNENBURG ELECTRIC UTILITY, for approval to add a new Regulation 5.14, Self Generation Offset to its Schedule of Regulations

BEFORE:  Peter W. Gurnham, Q.C., Chair

ORDER

**WHEREAS** the Town of Lunenburg, on behalf of its electric utility, made application to the Nova Scotia Utility and Review Board on April 26, 2019, for approval of an addition to its Schedule of Regulations governing the supply of electric services, to allow the Utility to offer a net metering service to its customers;

**AND WHEREAS** on May 27, 2019, the Utility responded to Information Requests issued by Board staff;

**AND WHEREAS** as a result of the Information Request process the Utility amended its application;

**AND WHEREAS** the Board has considered the application and is satisfied there is no increase to the current rates or charges of the Utility;

**AND WHEREAS** the Board issued a decision letter dated June 14, 2019, advising the Utility the Board was prepared to grant approval and directed the Utility to file a copy of its revised Regulation 5.14;



**IT IS HEREBY ORDERED** that the Utility be granted interim approval *ex parte* under s. 69 of the *Public Utilities Act*, which reads as follows:

**Interim approval of schedule**

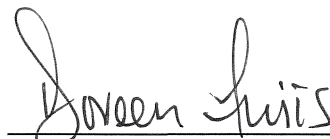
**69 (1)** When a public utility has submitted for the approval of the Board a schedule of rates, tolls and charges, or a proposed change in any existing schedule of rates, tolls and charges, which, in the opinion of the Board, either constitutes a reduction in the existing schedule of rates, tolls and charges at the time being paid by the majority of the customers of such public utility affected by such change in the class of service to which such proposed change applies or which applies only in respect of a service for which no rates, tolls or charges have been previously approved, the Board may at any time before finally approving or disapproving of such schedule or change, grant an interim approval thereof, with or without modification, and thereafter the existing schedule of rates, tolls and charges of such public utility as amended by such schedule of charges, interim approval of which with or without modification, as the case may be, has been so granted by the Board, shall be the only lawful rates, tolls and charges of such public utility until the Board shall express its final approval or disapproval thereof, with or without modification or amendment.

**(2)** Thereafter the existing schedule of rates, tolls and charges of such public utility as amended by such schedules of rates, tolls and charges or change so finally approved by the Board, with or without modification or amendment, shall be filed with the Board and shall be the only lawful rates, tolls and charges of such public utility until altered, modified or reduced as provided in this Act.

**(3)** Notwithstanding any other provisions of this Act, the interim approval referred to in this Section may be given *ex parte* and without public hearing or notice.

**IT IS FURTHER ORDERED** that the Schedule of Regulations be amended by adding a new section 5.14 - Self Generation Offset (SGO) in the form attached here as Schedule "A";

**DATED** at Halifax, Nova Scotia, this 25<sup>th</sup> day of June, 2019.



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Clerk of the Board

RML

## SCHEDULE "A"

### **5.14 - SELF GENERATION OFFSET (SGO)**

#### **5.14.1 DEFINITION**

SGO service is a metering and billing practice that enables electricity consumers to generate electricity from renewable, low-impact, generators to offset part or all of their own electrical requirements. Excess self-generation, over a Customer's own-consumption needs, is credited against purchased energy for billing purposes over a period of one year. Any surplus generation remaining at the end of a one year period will be purchased by the Town at a rate equivalent to the rate paid by the customer for electricity supplied by the Town.

Customers taking this service will be referred to as "customer-generators".

#### **5.14.2 AVAILABILITY**

SGO is available to all Customers who are served from the Town's distribution system, who are billed under the Town's metered service rates, who install a qualifying generating facility, as defined under item b) in the Special Conditions Section 5.14.5. The maximum capacity of the customer's generating facility will be sized to meet the expected annual consumption of the customer and will fall into the following Class of service:

Class 1 SGO service means a generating facility of aggregate nameplate capacity of up to 100 kW.

(a) SGO is not applicable for Unmetered services.

(b) The customer must provide a written request to take the SGO service.

The service is available on a first come, first serve basis.

#### **5.14.3 APPLICABILITY**

The service is applicable to any metered electric service accounts which are electrically connected to the same Town Distribution Zone as the generator, and which are owned by the same customer.

##### **5.14.3.1 DISTRIBUTION ZONE**

The Distribution Zone is defined as all Town distribution feeders emanating from a single distribution supply transformer within a substation. The Town reserves the right to broaden this definition if in the opinion of the Town this is justified by a customer-specific circumstance and is consistent with the spirit of the intent of this regulation.

##### **5.14.3.2 CUSTOMER**

For the purpose of the SGO regulation "customer" is defined as a single legal entity.

#### 5.14.4 BILLING

(a) Customer-generators will be billed under the otherwise-applicable metered rate schedules.

(b) If in a given billing period the electricity supplied to the Town by the customer-generator exceeds that supplied to the Customer by the Town, the Customer shall be billed only for the greater of the applicable non-KWh monthly charges or \$15.00 and shall have the excess self-generation "banked" as energy credits to be applied against future bills over a period not exceeding 12 calendar months.

Banked Excess Self-generation = Self-generation supplied to the Town - Purchased energy from the Town.

(c) If in a given billing period the combined total of the electricity supplied to the Town's grid by the customer-generator and the "banked" energy credits from the previous billing periods is less than the electricity supplied to the Customer by the Town, the Town will bill the Customer for the Net Purchased Energy Requirement and for the applicable non-KWh monthly charges.

Net Purchased Energy Requirement = Purchased energy from the Town - (Self-generation supplied to the Town + "Banked" energy credits).

(d) "Banked" excess self-generation will create an energy credit to be held by the customer-generator and will carry over until the Customer's annual anniversary date at which time the energy credit will be set to zero with compensation to the customer-generator priced at the appropriate rate as defined in 5.14.1. The customer-generator will set a permanent annual anniversary date at the time of subscription to the SGO service. No changes to the annual anniversary date will be permitted once set. If service is discontinued, any outstanding banked energy credits will be priced in the same manner as those at the time of the annual anniversary date and paid back to the customer-generator.

(e) Any interim energy credit balances on a customer-generator's account other than those covered under item (d) will not have any cash value or be convertible to cash.

(f) Should a customer-generator be billed under more than one electric account connected to the same Distribution Zone as the generating facility, the Customer will propose a method to apportion its surplus generation against its consumption under multiple accounts for billing purposes. The Customer will either designate the order in which the apportionment of surplus generation is to be applied to individual accounts or nominate the fraction of surplus generation to be apportioned to each account or choose a combination of both approaches. Should a customer-generator subscribe to more than one SGO application within the same Distribution Zone, each account will have only one generating facility assigned to it for billing purposes. The proposed method of surplus allocation and the account assignment to generating facilities will be approved upon the subscription to the SGO service and will stay in effect until such a time when Customer submits a written request for change. The Town may, at its sole discretion, approve such changes provided they remain in place for a minimum of 12 months.

(g) For Accounts billed under domestic time-of-day service, the Town will measure and bank self-generation sold to the grid by distinct time-of-use periods for billing purposes. Any surplus generation remaining at the time of the annual anniversary date or at the time the service is discontinued will be compensated at the Energy rates as noted in 5.14.1.

(h) Any environmental credits which may be created through the generation of energy through SGO will be for the benefit of the Town.

#### 5.14.5 SPECIAL CONDITIONS

(a) Special conditions in this regulation do not supersede, modify or nullify special conditions accompanying the other-wise applicable metered rate schedules.

(b) A Qualifying generating facility must meet the following requirements:

i, Utilizes only a renewable, low-impact source of energy as defined in the Renewable Electricity Regulation for the purposes of section 3A of Chapter 25 of the Electricity Act.

ii, Has a manufacturer's nameplate rating of not more than 100 Kilowatts, which the Town has the right to verify through inspection or testing.

iii, Is located within the same Distribution Zone as all of the Customer's premise(s) for which the Customer is requesting SGO electric service in conjunction with this facility.

iv, Subject to special condition b) iii), at the discretion of the customer, the generator may be connected to the grid either at any of the existing points of delivery of purchased power from the Town or at a separate point if approved by the Town. If a separate point of delivery is used, all additional costs will be the responsibility of the customer-generator.

v, The SGO facility shall meet all applicable safety and performance standards established by Measurement Canada, the Canadian Electrical Code, and the Town's guidelines.

vi, The customer-generator shall meet all municipal zoning guidelines in place at the time of installation.

vii, Any "Non-Standard" metering required will be supplied at cost to the customer-generator.

## **SECTION 6 - INSPECTION AND FEES**

### **6.1 INSPECTION AND FEES OF ELECTRICAL INSTALLATIONS**

The Town of Lunenburg Electric Utility shall be the Inspection Authority.

Every electrical installation shall be constructed in conformity with the Electrical Installation and Inspections Act (and regulations made thereafter) and Inspection Authority standards. A wiring permit as per Rule 2-004 of the Canadian Electrical Code Part 1, 1994 (and as revised from time to time), shall be obtained before work is commenced on new or existing installations. The inspection authority shall not be required to authorize a connection to any installation until it is satisfied that such installation is in accordance with all applicable regulations and standards.

The Inspection Authority shall have the further right to reinspect any electrical installation. If any violations of applicable codes and standards are found, on such reinspection, which in the opinion of the Inspection Authority constitute hazard to life or property, the Inspection Authority may disconnect the electric service until the hazards are rectified.

### **6.2 GENERAL REQUIREMENTS**

Electrical contractors, or others responsible for carrying out the electrical work, shall obtain a wiring permit from the Inspection Authority prior to commencing work with respect to the installation, alteration, repair, or extension of any electrical equipment.

Fees for a wiring permit and inspections shall be paid at the time the wiring permit is obtained in accordance with the fee schedule set out in these regulations.

The Inspection Authority may, prior to approving a permit application, request the submission of plans and specifications for any proposed electrical installation. Plans shall be submitted when the cost of the installation exceeds \$10,000.

### **6.3 REFUND OF FEES**

The holder of a Permit may apply to the Inspection Authority for a refund of fees with respect to a cancelled or unused permit minus a \$20 administration fee included in the wiring permit fee. No refund shall be issued for a permit under which an inspection has been requested and carried out.

## 6.4 EXPIRY AND RENEWAL OF PERMITS

A permit for electrical work is valid for 12 months from the date of issue in respect of residential installation, alteration, repair or extension and 24 months in respect of all non-residential work unless otherwise noted on the permit. Upon expiry a renewal fee to a maximum of 50% of the cost of the original permit will be charged.

## 6.5 ACKNOWLEDGEMENT OF ACCEPTANCE RESPECTING INSPECTION

The Electrical Inspector will sign the job site copy of the electrical permit, at each inspection stage, indicating his approval or disapproval of the installation. An acknowledgement of acceptance shall appear in the form of the Electrical Inspector's signature on the "Final Approval" section on the wiring permit. There is no additional fee for same.

## 6.6 PERMITS AND INSPECTIONS

Permits and inspections will normally be of three types:

1. Regular Permit and Inspection;
2. Annual Permit and Inspection; and
3. Special Permit and Inspection.

## 6.7 REGULAR PERMIT AND INSPECTION

A Regular Permit will be issued for any electrical installation, alteration, repair, or extension to a building or structure. The only exemption from a Regular Permit would be for work performed under an Annual or Special Permit as described below.

The fee for a Regular Permit and Inspection will be based on the full installed value, including all labour, material and sundries, of the electrical installation, alteration, repair or extension.

When calculating the installed value the following costs are not included:

1. The costs of individual motors, generators, and power consuming electrical equipment, however, the cost to supply and install the associated control and protective equipment, and the control and power cables connecting this equipment to the electrical system would be included.
2. The costs of switches and controls forming an original and integral part of power consuming electrical equipment.

3. The costs, in excess of \$5,000.00 of each transformer and each factory assembled unit of switchgear.

When a dispute arises regarding the cost of an electrical installation, the permit applicant may be required, at the Inspection Authority's discretion, to supply a letter from the owner indicating the value of the contract and/or a bill of materials for the project.

The fees for a Regular Permit and Inspection, including the number of inspection visits, will be in accordance with the fee schedule set out in these regulations.

#### **6.8 ANNUAL PERMIT AND INSPECTION**

In industrial, commercial or other establishments, where staff members include qualified electrical personnel, a single annual permit may be issued to cover all minor repairs in a single calendar year.

An Annual Permit does not entitle the holder to effect major electrical alterations in, or additional to, the establishment as determined by the Inspection Authority.

The holder of an Annual Permit shall maintain a current and accurate record of all minor repairs and shall make it available to the electrical inspector on request.

The fee for an Annual Permit and Inspection will be in accordance with the fee schedule set out in these regulations

#### **6.9 SPECIAL PERMIT AND INSPECTION**

If, in the opinion of the Inspection Authority, the fees of a Regular Permit and Inspection are inappropriate for the inspection of unique electrical installation the Special Permit and Inspection fees will prevail.

Additionally, if inspection visits, greater than the number specified under the Regular Permit and Inspection, are necessitated by the owner or contractor, they will be billed under the Special Permit and Inspection fees.

The fees for Special Permit and Inspection are based on an hourly rate appropriate for the time the inspection is performed. The fees will be in accordance with the fee schedule set out in these regulations

#### **6.10 REGULAR PERMIT AND INSPECTION**

The fee for a Regular Permit, and the maximum number of inspection visits, with respect to an installation will be calculated as follows:

**SCHEDULE B**

*PLN*

**LUNENBURG ELECTRIC UTILITY  
PROPOSED REGULATIONS**

**6.10 REGULAR PERMIT AND INSPECTION**

The fee for a Regular Permit and the maximum number of inspection visits, with respect to an installation will be calculated as follows:

Cost of Installation	Max. No. of Inspection Visits	Fee
\$0 to 2,000	2	\$65.00
2,001 to 4,000	2	\$131.00
4,001 to 6,000	2	\$220.00
6,001 to 8,000	2	\$268.00
8,001 to 10,000	2	\$313.00
10,001 to 15,000	3	\$438.00
15,001 to 25,000	3	\$556.00
25,001 to 50,000	3	\$804.00
50,001 to 100,000	3	\$1,142.00
100,001 to 300,000	4	\$1,792.00
300,001 to 500,000	5	\$2,239.00
500,001 to 750,000	6	\$2,867.00
750,001 to 1,000,000	8	\$3,582.00
Over 1,000,000	10	\$4,379.00 + 15% of Installation cost in excess of \$1,000,000

**6.11 ANNUAL PERMIT AND INSPECTION**

The fee for an Annual Permit and Inspection for any one establishment shall be \$131.00



## 6.12 SPECIAL PERMIT AND INSPECTION

Note: All fees are per inspection visit.

### Normal Working Hours – Fee Schedule

- i) for the first hour or fraction thereof \$64.00
- ii) for each additional half-hour or fraction thereof \$27.00

## 6.13 TEMPORARY INSTALLATION

Individual permits will be required for temporary and individual miscellaneous services and each dwelling unit of a single, duplex or row-type housing, etc., whether supplied via an individual or multi-position metering device.

## 6.14 MINIMUM FEES

New installations are subject to the following minimum inspection fees:

Residential – All installation	\$131.00
Commercial/Industrial/Institutional	
Up to 100 AMPS	\$131.00
Over 100 to 400 AMPS	\$313.00
Over 400 to 800 AMPS	\$438.00
Over 800 to 1000 AMPS	\$556.00
Over 1000 AMPS	\$804.00