

1 **Rules and Regulations**

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3 **Q. (Rules and Regulations, para. 7(e)) It is stated “Where four or more Domestic Units**  
4 **are metered together, the Basic Customer Charge shall be multiplied by the number of**  
5 **Domestic Units.” Does it typically cost four times as much to service such customers?**

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7 A. The charging of multiple basic customer charges evolved from a period prior to 1978  
8 when fairness in applying declining block rates to bulk metered apartment buildings  
9 required the number of domestic units to be factored into the billing. After the  
10 introduction of the basic customer charge and the removal of the block structures, the  
11 basic customer charge continued to be applied based on the number of domestic units  
12 consistent with the previous practice of calculating block sizes for multi-unit domestic  
13 buildings. In Board Order P.U. 36 (1998-99), the Board revised the application of  
14 regulation 7(e) from two or more domestic units to four or more.

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16 Regulation 7(e) continues to be justified on the basis that it treats domestic customers  
17 consistently (i.e. metered and non-metered apartments). Regulation 7(e) also serves as a  
18 deterrent to customers from circumventing the Canadian Electrical Code (“CEC”) when  
19 subdividing their premises. The CEC requires an electrical panel within each domestic  
20 unit. The regulation is not justified on the basis of individual customers’ cost of service.