

Hydro One Networks Inc.

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Susan Frank

Vice President and Chief Regulatory Officer
Regulatory Affairs

BY COURIER

November 4, 2009

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON.
M4P 1E4

Dear Ms. Walli:

EB-2009-0230 – Hydro One Remote Communities' 3GIRM 2010 Distribution Rate Application – Application and Evidence Filing

I am attaching two (2) copies of Hydro One Remote Communities' Application and Prefiled Evidence in support of proposed 2010 distribution rates under the OEB's 3rd Generation Incentive Regulation Mechanism (3GIRM).

This application has been prepared following the Board's "Filing Requirements for Transmission and Distribution Applications" issued on July 22, 2009.

An electronic copy has been submitted using the Board's Regulatory Electronic Submission System and the confirmation of successful submission slip is provided with this letter. It is also our intention to post electronic copies of the Application and supporting evidence on the Hydro One Networks website for public access. In addition, one copy is being provided for public access at Hydro One Remote Communities Service Centre at 680 Beaverhall Place, Thunder Bay, P7E 6G9.

Hydro One Remote Communities' points of contact for service of documents associated with this Application are listed in Exhibit A, Tab 2, Schedule 1.

Sincerely,

Susan Frank
Attach.

EXHIBIT LIST

1
2

Exh	Tab	Schedule	Contents
A			Administration
	1	1	Exhibit List
	2	1	Application
		2	Summary of Remotes' Business
		3	Service Area Map
	3	1	Remotes' Approach to 3 rd Generation Incentive Regulation Mechanism
B			Written Direct
	1	1	Development of Distribution Rates for May 1, 2010
	2	1	OEB 2010 Rate Generator Model Hydro One Remote Communities
		2	Customer Bill Impacts
C			Supporting Schedules
	1	1	Current Rate Schedules
	2	1	Proposed Rate Schedules

3

1 4. Remotes seeks approval of rates for residential, general service and standard A
2 customers. These proposed rates continue to encourage conservation with the
3 inclining block structure, originally established in 2006.

4
5 5. Remotes is a unique distributor in Ontario and is exempt from the competitive
6 market. Remotes generates electricity at diesel generating stations in certain
7 isolated communities in the far north and distributes the electricity to customers in
8 each community.

9
10 8. The written evidence filed with the Board may be amended from time to time
11 prior to the Board's final decision on the Application. Further, the Applicant may
12 seek meetings with Board staff and intervenors in an attempt to identify and reach
13 agreements to settle issues arising out of this Application.

14
15 9. The persons affected by this Application are the ratepayers of Remotes and of
16 Rural or Remote Rate Protection. It is impractical to set out their names and
17 addresses because they are too numerous.

18
19 10. Remotes requests that a copy of all documents filed with the Board by each party
20 to this Application be served on the Applicant and the Applicant's counsel as
21 follows:

22
23 a) The Applicant:

24
25 Ms. Anne-Marie Reilly
26 Hydro One Networks Inc.

27
28 Address for personal service: 8th Floor, South Tower
29 483 Bay Street
30 Toronto, ON M5G 2P5
31

1 Mailing Address: 8th Floor, South Tower
2 483 Bay Street
3 Toronto, ON M5G 2P5
4 Telephone: (416) 345-6482
5 Fax: (416) 345-5866
6 Electronic access: regulatory@HydroOne.com
7

8 b) The Applicant's counsel:
9
10 Michael Engelberg
11 Assistant General Counsel
12 Hydro One Networks Inc.
13

14 Mailing Address: 15th Floor, North Tower
15 483 Bay Street
16 Toronto, Ontario M5G 2P5
17
18 Telephone: (416) 345-6305
19 Fax: (416) 345-6972
20 Electronic access: mengelberg@HydroOne.com
21

22 DATED at Toronto, Ontario, this 4th day of November, 2009.
23

24 HYDRO ONE REMOTE COMMUNITIES INC.

25 By its counsel,
26

27 _____
28 Michael Engelberg

1 capital upgrades. Remotes' revenue requirement does not include funding for these
2 capital projects, and Remotes does not depreciate this contributed capital.

3
4 During the 1990s, INAC devolved its responsibility for community infrastructure to First
5 Nation communities. INAC now transfers funding directly to First Nations, who are
6 responsible for administering approximately 85 percent of the Department's program
7 funds. As a result of these funding arrangements, the process for capital upgrades is
8 complex and not completely within Remotes' control. INAC has limited capital
9 resources, and INAC or local First Nations may direct capital funding to other
10 community infrastructure priorities. If planned upgrades are delayed due to competing
11 capital priorities, Remotes' operating and maintenance expenses can increase.

12
13 The communities served by Remotes are isolated and are scattered across the far north of
14 the Province. Twelve communities are not accessible by year-round road and can be
15 accessed only by aircraft, winter road and also, in the case of one community, by barge.
16 The size and isolation of Remotes' service territory also means that the transportation and
17 accommodation of staff, fuel, and equipment is a key driver of Remotes' costs. The use
18 and viability of winter roads to reach these communities is a major cost variable within
19 Remotes' operations. If a winter road cannot be built in a given year, fuel costs,
20 equipment costs and overall maintenance costs increase.

21
22 **3.0 DISTRIBUTION**

23
24 Remotes operates 18 isolated distribution systems to serve the 20 communities. Within
25 each system, Remotes is responsible for transformation, voltage regulation, delivery and
26 metering of power. Because the communities are far from each other, the distribution
27 systems are isolated, distinct and stand-alone. These distribution systems operate at
28 distribution voltages ranging from 4.8 kV to 25 kV.

1 The fixed distribution assets in service include approximately 210 kilometers of line and
2 transformers distributed throughout the system, which are used for voltage
3 transformation. Billing meters are used to measure energy consumption at customer
4 supply points.

5
6 Remotes is responsible for billing and collecting from its customers. Community visits to
7 collect from residential customers occur twice a year as required, and Remotes also has
8 an active program to work with Band Councils to improve bill payment.

9
10 **4.0 GENERATION**

11
12 Due to the lack of grid connection, Remotes is a generator of electricity to meet its
13 obligations under section 29 of the *Electricity Act, 1998*. Diesel generation is currently
14 the prime source of electricity within the communities. Remotes also owns and operates
15 two run-of-the-river mini-hydro-electric generating facilities and has four demonstration
16 project windmills. The feasibility of using further renewable technologies is continually
17 examined as new technologies evolve, but diesel is currently the most reliable and cost-
18 effective technology.

19
20 There are presently 54 diesel generators in service, ranging in size from 85kW to
21 1280kW. Most stations have three generators, sized to meet community load at different
22 times of the day. Automated operation ensures that the generation units are run to
23 maximize fuel efficiency by matching the generator size to the community load.
24 Depending on electrical demand, Remotes handles 14 to 17 million litres of diesel fuel
25 each year.

26

1 **5.0 ENVIRONMENTAL MANAGEMENT SYSTEM**

2
3 Remotes developed an Environmental Management System (“EMS”) in 1999 to help
4 address a history of spills and to improve environmental performance. In the course of
5 developing and implementing the EMS, Remotes has transformed itself into an
6 environmental leader, recognized provincially and nationally for its environmental
7 record. In 2001, Remotes was awarded the Canadian Council of Ministers of the
8 Environment national Pollution Prevention award for small business in Canada. In 2002,
9 Remotes achieved ISO 14001 registration of its EMS. This international registration is in
10 addition to the significant environmental improvements achieved since implementing the
11 EMS.

12
13 Remotes has achieved operating efficiency improvements through installation of
14 automated Programmable Logic Controller (“PLC”) controls, Supervisory Control and
15 Data Acquisition (“SCADA”) systems, upgraded engines and redesigned generating and
16 fuel-handling software to support its PLC programs, all of which have resulted in
17 improved efficiency, reduced use of diesel fuel and lower atmospheric emissions.

18
19 In 2003, Remotes developed and adopted an Emission Reduction Strategy and submitted
20 an application and Action Plan for Reducing Greenhouse Gases to the Environment
21 Canada Voluntary Challenge Registry. Remotes’ 2003 report received the “Best New
22 Submission” award; and since then, each annual submission was awarded "Gold
23 Champion" status.

24
25 **6.0 GOVERNMENT REGULATION AND REMOTE COMMUNITY RATES**

26
27 Remotes served 3,310 customers at the end of 2008. Approximately 87 percent of
28 customers within Remotes pay rates below the cost of service. Historically, rates for

1 these Residential and General Service customers have been financially supported through
2 a cross-subsidy from government customers within Remotes who historically have paid
3 rates above cost (Standard A Rates); through capital contributions; and through RRRP.
4 RRRP funding is currently set at \$27,845 thousand per year and is funded through a
5 \$0.0013/kWh charge to all grid-connected customers in Ontario.

6
7 O. Reg 442/01, the regulation under the *Ontario Energy Board Act, 1998*, that also
8 established RRRP, sets out two broad categories of customers in Remotes:

- 9 • Customers who receive Rural and Remote Rate Protection (“Residential and
10 General Service” customers); and
- 11 • Customers occupying Government premises, defined as customers who receive
12 direct or indirect funding from government (“Standard A” customers).

13
14 Rates for Remotes' customers are shown in Exhibit C, Tab 1, Schedule 1.

15 16 **7.0 CHALLENGES AND OPPORTUNITIES FACING REMOTES**

17
18 The cost for diesel fuel used in Remotes' electrical generation includes the cost of
19 delivery. Through the use of winter roads and the implementation of improved supplier
20 contracts for delivery, Remotes has been able to moderate the rate of increase. Since
21 2004, however, the delivered cost of diesel fuel has increased significantly.

22
23 These increases have created ongoing cost pressures, as diesel generation is the prime
24 source of electricity in Remotes' service territory, and because higher fuel prices also
25 increase the cost to transport staff, materials, equipment and fuel itself.

26

1 Remotes continues to investigate renewable energy technology opportunities and is
2 working with local First Nations and external parties to develop renewable energy
3 sources in its service territory.

4

5 Remotes is also managing challenges related to ongoing inflation, increased safety and
6 environmental regulation, and industry-wide shortages of skilled workers, in particular,
7 skilled trades staff.

8

9 In response to these cost pressures, Remotes has improved the coordination of flights to
10 transfer staff and equipment, improved its use of winter roads, introduced a customer
11 Conservation Demand Management (“CDM”) program, and developed new standards for
12 station efficiency. Remotes’ conservation program saved 300,000 litres of fuel in 2008.
13 Efficiency improvements to our stations are expected to reduce diesel usage by 4% per
14 kWh generated.

15

SERVICE AREA MAP

The attached map is a representation of Remotes' service territory. It is not a substitute for the written description in the licence. Remotes is licensed to serve 20 communities in Ontario. The generating station in Armstrong also serves the Whitesands Reserve and the settlement of Collins through a single distribution system and generation station.

Communities Served by Hydro One Remote Communities Inc

Armstrong
Bearskin Lake
Big Trout Lake
Biscotasing
Collins
Deer Lake
Fort Severn
Gull Bay
Hillsport
Kasabonika Lake
Kingfisher Lake
Landsdowne House
Oba
Sachigo Lake
Sandy Lake
Sultan
Wapakaka
Weagamow
Webequie
Whitesand

1
2

MAP OF REMOTES' SERVICE TERRITORY



3

4

The communities of Whitesand and Collins are served through the Armstrong Distribution System.

1 **REMOTES' APPROACH TO 3RD GENERATION IRM**

2
3 Hydro One Remote Communities Inc. ("Remotes") is an integrated generation and
4 distribution company licensed to generate and distribute electricity within 20 isolated
5 communities in northern Ontario. Consistent with the Board's decision in RP-1998-
6 0001, Remotes is 100% debt-financed and is operated as a break-even company with no
7 return on equity.

8
9 Most of Remotes' customers are eligible for Rural and Remote Rate Protection ("RRRP")
10 under Section 79 of the *Ontario Energy Board Act, 1998*. O. Reg. 442/01 under that
11 statute requires the Board to calculate Rate Protection for these customers and requires
12 that Remotes charge rates that are not based on the cost of service.

13
14 Remotes' last rate application, EB-2008-0232, proposed rate increases to customers in
15 Remotes' service territory of 4.4%, based on the average increase for grid connected
16 customers. Remotes believes that the principle of applying average increases to its
17 customer rates is appropriate and is therefore filing an application for rates under the
18 Board's IRM process.

19
20 Remotes conducts its operations under a cost recovery model applied to achieve
21 breakeven results of operations after the inclusion of PILs. Any excess or deficiency in
22 remote rate protection revenues necessary to lead to breakeven results of operations is
23 added to, or drawn from, the RRRP variance account, which was established in 2002 for
24 this purpose.

25
26 About two-thirds of Remotes' revenues come from RRRP. Remotes does not plan to
27 seek approval to adjust the level of RRRP at this time. Remotes' audited financial
28 statements were filed in April 2009. The audited balance in the Remotes RRRP variance

Filed: November 4, 2009

EB-2009-0230

Exhibit A

Tab 3

Schedule 1

Page 2 of 2

1 account at the end of 2008 was \$3.381 million, and that balance was cleared in EB-2008-
2 0232. Accordingly, there is no need to reset the level of RRRP in this application.

3

4 Board staff prepared a specific 3rd Generation Incentive Regulation Model for Remotes'
5 use. Remotes used this model to develop the rates in this application.

Filed: November 4, 2009
EB-2009-0230
Exhibit B
Tab 2
Schedule 1

1
2

**OEB 2010 RATE GENERATOR MODEL
HYDRO ONE REMOTE COMMUNITIES**



Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

LDC Information

Applicant Name	Hydro One Remote Communities Inc.
Application Type	IRM3
OEB Application Number	EB-2009-0230
Tariff Effective Date	May 1, 2010
LDC Licence Number	ED-2003-0037
Notice Publication Language	Cree
DRC Rate	0.00000
Customer Bills	12 per year
Distribution Demand Bill Determinant	kW
<u>Contact Information</u>	
Name:	Anne-Marie Reilly
Title:	Regulatory Coordinator
Phone Number:	416-345-6482
E-Mail Address:	regulatory@HydroOne.com



Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Table of Contents

Sheet Name	Purpose of Sheet
A1.1 LDC Information	Enter LDC Data
A2.1 Table of Contents	Table of Contents
B1.1 Curr&Appl Rt Class General	Set up Tariff Sheet Rate Classes - General
C2.1 FgoneDstRevRR - ServCharge	Foregone Distribution Revenue Rate Rider - Service Charge
C2.2 FgoneDstRevRR - 1st 250	Foregone Distribution Revenue Rate Rider - First 250 kWh
C2.3 FgoneDstRevRR - 1st 1000	Foregone Distribution Revenue Rate Rider - First 1,000 kWh
C2.4 FgoneDstRevRR - 1st 6000	Foregone Distribution Revenue Rate Rider - First 6,000 kWh
C2.5 FgoneDstRevRR - 1st 25000	Foregone Distribution Revenue Rate Rider - First 25,000 kWh
C2.6 FgoneDstRevRR - Nxt 1500	Foregone Distribution Revenue Rate Rider - Next 1,500 kWh
C2.7 FgoneDstRevRR - Nxt 7000	Foregone Distribution Revenue Rate Rider - Next 7,000 kWh
C2.8 FgoneDstRevRR - Nxt 15000	Foregone Distribution Revenue Rate Rider - Next 15,000 kWh
C2.9 FgoneDstRevRR - AllAdd kWh	Foregone Distribution Revenue Rate Rider - All Additional kWh
C2.10 FgoneDstRevRR - All kWh	Foregone Distribution Revenue Rate Rider - All kWh
C4.1 Curr Rates & Chgs General	Enter Current Tariff Sheet Rates - General Rate Classes
F1.2 Price Cap Adjustment	Price Cap Adjustment
G1.1 Aft PrcCp Base Dst Rts Gen	Base Distribution Rates after Price Cap Adjustment - General Rate Class
N1.1 Appl For Mthly R&C General	Monthly Rates and Charges - General Rate Classes
P2.1 Curr&Appl For Spc Srv Chg	Enter Specific Service Charges from Current Tariff Sheets



Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Current and Applied For Rate Classes General

Rate Group	Rate Class	Fixed Metric	Vol Metric
RES	Year-Round Residential – R2	Customer - 12 per year	kWh
RES	Seasonal Residential – R4	Customer - 12 per year	kWh
GSLT50	General Service Single Phase – G1	Customer - 12 per year	kWh
GSLT50	General Service Three Phase – G3	Customer - 12 per year	kWh
SL	Street Lighting	Connection - 12 per year	kWh
RES	Standard A Residential Road/Rail	Customer - 12 per year	kWh
RES	Standard A Residential Air Access	Customer - 12 per year	kWh
GSLT50	Standard A General Service Road/Rail	Customer - 12 per year	kWh
GSLT50	Standard A General Service Air Access	Customer - 12 per year	kWh

Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Foregone Distribution Revenue Rate Rider - Service Charge

Rate Rider	Foregone Distribution Revenue Rate Rider - Service Charge
Sunset Date	DDMMYYYY April 30, 2010
Metric Applied To	All Customers
Method of Application	Distinct Service Charge

Rate Class	Applied to Class	Fixed Amount	Fixed Metric	Vol Amount	Vol Metric
Year-Round Residential – R2	Yes	0.070000	Customer - 12 per year	0.000000	kWh
Seasonal Residential – R4	Yes	0.120000	Customer - 12 per year	0.000000	kWh
General Service Single Phase – G1	Yes	0.120000	Customer - 12 per year	0.000000	kWh
General Service Three Phase – G3	Yes	0.150000	Customer - 12 per year	0.000000	kWh
Street Lighting	No	0.000000	Connection - 12 per year	0.000000	kWh
Standard A Residential Road/Rail	No	0.000000	Customer - 12 per year	0.000000	kWh
Standard A Residential Air Access	No	0.000000	Customer - 12 per year	0.000000	kWh
Standard A General Service Road/Rail	No	0.000000	Customer - 12 per year	0.000000	kWh
Standard A General Service Air Access	No	0.000000	Customer - 12 per year	0.000000	kWh

Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Foregone Distribution Revenue Rate Rider - First 250 kWh

Rate Rider	Foregone Distribution Revenue Rate Rider - First 250 kWh
Sunset Date	DDMMYYYY April 30, 2010
Metric Applied To	All Customers
Method of Application	Distinct Volumetric

Rate Class	Applied to Class	Fixed Amount	Fixed Metric	Vol Amount	Vol Metric
Year-Round Residential – R2	No	0.000000	Customer - 12 per year	0.000000	kWh
Seasonal Residential – R4	No	0.000000	Customer - 12 per year	0.000000	kWh
General Service Single Phase – G1	No	0.000000	Customer - 12 per year	0.000000	kWh
General Service Three Phase – G3	No	0.000000	Customer - 12 per year	0.000000	kWh
Street Lighting	No	0.000000	Connection - 12 per year	0.000000	kWh
Standard A Residential Road/Rail	Yes	0.000000	Customer - 12 per year	0.002000	kWh
Standard A Residential Air Access	Yes	0.000000	Customer - 12 per year	0.003200	kWh
Standard A General Service Road/Rail	No	0.000000	Customer - 12 per year	0.000000	kWh
Standard A General Service Air Access	No	0.000000	Customer - 12 per year	0.000000	kWh

Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Foregone Distribution Revenue Rate Rider - First 1,000 kWh

Rate Rider	Foregone Distribution Revenue Rate Rider - First 1,000 kWh
Sunset Date	April 30, 2010 DDMMYYYY
Metric Applied To	All Customers
Method of Application	Distinct Volumetric

Rate Class	Applied to Class	Fixed Amount	Fixed Metric
Year-Round Residential – R2	Yes	0.000000	Customer - 12 per year
Seasonal Residential – R4	Yes	0.000000	Customer - 12 per year
General Service Single Phase – G1	No	0.000000	Customer - 12 per year
General Service Three Phase – G3	No	0.000000	Customer - 12 per year
Street Lighting	No	0.000000	Connection - 12 per year
Standard A Residential Road/Rail	No	0.000000	Customer - 12 per year
Standard A Residential Air Access	No	0.000000	Customer - 12 per year
Standard A General Service Road/Rail	No	0.000000	Customer - 12 per year
Standard A General Service Air Access	No	0.000000	Customer - 12 per year

Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Foregone Distribution Revenue Rate Rider - First 6,000 kWh

Rate Rider	Foregone Distribution Revenue Rate Rider - First 6,000 kWh
Sunset Date	April 30, 2010
Metric Applied To	All Customers
Method of Application	Distinct Volumetric

Rate Class	Applied to Class	Fixed Amount
Year-Round Residential – R2	No	0.000000
Seasonal Residential – R4	No	0.000000
General Service Single Phase – G1	Yes	0.000000
General Service Three Phase – G3	No	0.000000
Street Lighting	No	0.000000
Standard A Residential Road/Rail	No	0.000000
Standard A Residential Air Access	No	0.000000
Standard A General Service Road/Rail	No	0.000000
Standard A General Service Air Access	No	0.000000

Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Foregone Distribution Revenue Rate Rider - First 25,000 kWh

Rate Rider	Foregone Distribution Revenue Rate Rider - First 25,000 kWh
Sunset Date	00MM/YYYY April 30, 2010
Metric Applied To	All Customers
Method of Application	Distinct Volumetric

Rate Class	Applied to Class	Fixed Amount
Year-Round Residential – R2	No	0.000000
Seasonal Residential – R4	No	0.000000
General Service Single Phase – G1	No	0.000000
General Service Three Phase – G3	Yes	0.000000
Street Lighting	No	0.000000
Standard A Residential Road/Rail	No	0.000000
Standard A Residential Air Access	No	0.000000
Standard A General Service Road/Rail	No	0.000000
Standard A General Service Air Access	No	0.000000

Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Foregone Distribution Revenue Rate Rider - Next 1,500 kWh

Rate Rider	Foregone Distribution Revenue Rate Rider - Next 1,500 kWh
Sunset Date	DDMM/YYYY April 30, 2010
Metric Applied To	All Customers
Method of Application	Distinct Volumetric

Rate Class	Applied to Class	Fixed Amount
Year-Round Residential – R2	Yes	0.000000
Seasonal Residential – R4	Yes	0.000000
General Service Single Phase – G1	No	0.000000
General Service Three Phase – G3	No	0.000000
Street Lighting	No	0.000000
Standard A Residential Road/Rail	No	0.000000
Standard A Residential Air Access	No	0.000000
Standard A General Service Road/Rail	No	0.000000
Standard A General Service Air Access	No	0.000000

Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Foregone Distribution Revenue Rate Rider - Next 7,000 kWh

Rate Rider	Foregone Distribution Revenue Rate Rider - Next 7,000 kWh
Sunset Date	DDMM/YYYY April 30, 2010
Metric Applied To	All Customers
Method of Application	Distinct Volumetric

Rate Class	Applied to Class	Fixed Amount
Year-Round Residential – R2	No	0.000000
Seasonal Residential – R4	No	0.000000
General Service Single Phase – G1	Yes	0.000000
General Service Three Phase – G3	No	0.000000
Street Lighting	No	0.000000
Standard A Residential Road/Rail	No	0.000000
Standard A Residential Air Access	No	0.000000
Standard A General Service Road/Rail	No	0.000000
Standard A General Service Air Access	No	0.000000

Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Foregone Distribution Revenue Rate Rider - Next 15,000 kWh

Rate Rider	Foregone Distribution Revenue Rate Rider - Next 15,000 kWh
Sunset Date	DDMMYYYY April 30, 2010
Metric Applied To	All Customers
Method of Application	Distinct Volumetric

Rate Class	Applied to Class	Fixed Amount
Year-Round Residential – R2	No	0.000000
Seasonal Residential – R4	No	0.000000
General Service Single Phase – G1	No	0.000000
General Service Three Phase – G3	Yes	0.000000
Street Lighting	No	0.000000
Standard A Residential Road/Rail	No	0.000000
Standard A Residential Air Access	No	0.000000
Standard A General Service Road/Rail	No	0.000000
Standard A General Service Air Access	No	0.000000

Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Current Rates and Charges General

Rate Rider: Foregone Distribution Revenue Rate Rider - All Additional kWh
 Sunset Date: DDMMYYYY April 30, 2010
 Metric Applied To: All Customers
 Method of Application: Distinct Volumetric

Rate Class	Applied to Class	Fixed Amount	Fixed Metric	Vol Amount	Vol Metric
Year-Round Residential – R2	Yes	0.000000	Customer - 12 per year	0.000700	kWh
Seasonal Residential – R4	Yes	0.000000	Customer - 12 per year	0.000700	kWh
General Service Single Phase – G1	Yes	0.000000	Customer - 12 per year	0.000700	kWh
General Service Three Phase – G3	Yes	0.000000	Customer - 12 per year	0.000700	kWh
Street Lighting	No	0.000000	Connection - 12 per year	0.000000	kWh
Standard A Residential Road/Rail	Yes	0.000000	Customer - 12 per year	0.002400	kWh
Standard A Residential Air Access	Yes	0.000000	Customer - 12 per year	0.003500	kWh
Standard A General Service Road/Rail	No	0.000000	Customer - 12 per year	0.000000	kWh
Standard A General Service Air Access	No	0.000000	Customer - 12 per year	0.000000	kWh

Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
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Foregone Distribution Revenue Rate Rider - All kWh

Rate Rider	Foregone Distribution Revenue Rate Rider - All kWh
Sunset Date	April 30, 2010 <small>DDMMYYYY</small>
Metric Applied To	All Customers
Method of Application	Distinct Volumetric

Rate Class	Applied to Class	Fixed Amount	Fixed Metric	Vol Amount
Year-Round Residential – R2	No	0.000000	Customer - 12 per year	0.000000
Seasonal Residential – R4	No	0.000000	Customer - 12 per year	0.000000
General Service Single Phase – G1	No	0.000000	Customer - 12 per year	0.000000
General Service Three Phase – G3	No	0.000000	Customer - 12 per year	0.000000
Street Lighting	Yes	0.000000	Connection - 12 per year	0.000400
Standard A Residential Road/Rail	No	0.000000	Customer - 12 per year	0.000000
Standard A Residential Air Access	No	0.000000	Customer - 12 per year	0.000000
Standard A General Service Road/Rail	Yes	0.000000	Customer - 12 per year	0.002400
Standard A General Service Air Access	Yes	0.000000	Customer - 12 per year	0.003500



Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Current Rates and Charges General

Rate Class

Year-Round Residential – R2

Rate Description	Metric
Service Charge	\$
Service Charge Foregone Distribution Revenue Rate Rider - Service Charge – effective until Friday, April 30, 2010	\$
Energy Charge First 1,000 kWh	\$/kWh
Energy Charge Next 1,500 kWh	\$/kWh
Energy Charge All Additional kWh	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - First 1,000 kWh – effective until Friday, April 30, 2010	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - Next 1,500 kWh – effective until Friday, April 30, 2010	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - All Additional kWh – effective until Friday, April 30, 2010	\$/kWh
Retail Transmission Rate – Network Service Rate	\$/kWh
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh
Wholesale Market Service Rate	\$/kWh
Rural Rate Protection Charge	\$/kWh
Standard Supply Service – Administrative Charge (if applicable)	\$

Rate Class

Seasonal Residential – R4

Rate Description	Metric
Service Charge	\$
Service Charge Foregone Distribution Revenue Rate Rider - Service Charge – effective until Friday, April 30, 2010	\$
Energy Charge First 1,000 kWh	\$/kWh
Energy Charge Next 1,500 kWh	\$/kWh
Energy Charge All Additional kWh	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - First 1,000 kWh – effective until Friday, April 30, 2010	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - Next 1,500 kWh – effective until Friday, April 30, 2010	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - All Additional kWh – effective until Friday, April 30, 2010	\$/kWh
Retail Transmission Rate – Network Service Rate	\$/kWh
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh
Wholesale Market Service Rate	\$/kWh
Rural Rate Protection Charge	\$/kWh
Standard Supply Service – Administrative Charge (if applicable)	\$

Rate Class

General Service Single Phase – G1

Rate Description	Metric
Service Charge	\$
Service Charge Foregone Distribution Revenue Rate Rider - Service Charge – effective until Friday, April 30, 2010	\$
Energy Charge First 6,000 kWh	\$/kWh
Energy Charge Next 7,000 kWh	\$/kWh
Energy Charge All Additional kWh	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - First 6,000 kWh – effective until Friday, April 30, 2010	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - Next 7,000 kWh – effective until Friday, April 30, 2010	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - All Additional kWh – effective until Friday, April 30, 2010	\$/kWh
Retail Transmission Rate – Network Service Rate	\$/kWh
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh
Wholesale Market Service Rate	\$/kWh
Rural Rate Protection Charge	\$/kWh
Standard Supply Service – Administrative Charge (if applicable)	\$

Rate Class

General Service Three Phase – G3

Rate Description	Metric
Service Charge	\$
Service Charge Foregone Distribution Revenue Rate Rider - Service Charge – effective until Friday, April 30, 2010	\$
Energy Charge First 15,000 kWh	\$/kWh
Energy Charge Next 15,000 kWh	\$/kWh
Energy Charge All Additional kWh	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - First 25,000 kWh – effective until Friday, April 30, 2010	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - Next 15,000 kWh – effective until Friday, April 30, 2010	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - All Additional kWh – effective until Friday, April 30, 2010	\$/kWh
Retail Transmission Rate – Network Service Rate	\$/kWh
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh
Wholesale Market Service Rate	\$/kWh
Rural Rate Protection Charge	\$/kWh
Standard Supply Service – Administrative Charge (if applicable)	\$

Rate Class

Street Lighting

Rate Description	Metric
Service Charge (per connection)	\$
Energy Charge	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - All kWh – effective until Friday, April 30, 2010	\$/kWh
Retail Transmission Rate – Network Service Rate	\$/kWh
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh
Wholesale Market Service Rate	\$/kWh
Rural Rate Protection Charge	\$/kWh
Standard Supply Service – Administrative Charge (if applicable)	\$

Rate Class

Standard A Residential Road/Rail

Rate Description	Metric
Service Charge	\$
Energy Charge First 250 kWh	\$/kWh
Energy Charge All Additional kWh	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - First 250 kWh – effective until Friday, April 30, 2010	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - All Additional kWh – effective until Friday, April 30, 2010	\$/kWh
Retail Transmission Rate – Network Service Rate	\$/kWh
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh
Wholesale Market Service Rate	\$/kWh
Rural Rate Protection Charge	\$/kWh
Standard Supply Service – Administrative Charge (if applicable)	\$

Rate Class

Standard A Residential Air Access

Rate Description	Metric
Service Charge	\$
Energy Charge First 250 kWh	\$/kWh
Energy Charge All Additional kWh	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - First 250 kWh – effective until Friday, April 30, 2010	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - All Additional kWh – effective until Friday, April 30, 2010	\$/kWh
Retail Transmission Rate – Network Service Rate	\$/kWh
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh
Wholesale Market Service Rate	\$/kWh
Rural Rate Protection Charge	\$/kWh
Standard Supply Service – Administrative Charge (if applicable)	\$

Rate Class

Standard A General Service Road/Rail

Rate Description	Metric
Service Charge	\$
Energy Charge	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - All kWh – effective until Friday, April 30, 2010	\$/kWh
Retail Transmission Rate – Network Service Rate	\$/kWh
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh
Wholesale Market Service Rate	\$/kWh
Rural Rate Protection Charge	\$/kWh
Standard Supply Service – Administrative Charge (if applicable)	\$

Rate Class

Standard A General Service Air Access

Rate Description	Metric
Service Charge	\$
Energy Charge	\$/kWh
Distribution Volumetric Foregone Distribution Revenue Rate Rider - All kWh – effective until Friday, April 30, 2010	\$/kWh
Retail Transmission Rate – Network Service Rate	\$/kWh
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh
Wholesale Market Service Rate	\$/kWh
Rural Rate Protection Charge	\$/kWh
Standard Supply Service – Administrative Charge (if applicable)	\$

Rate

17.17
0.07
0.0809
0.1078
0.1625
0.00030
0.00040
0.00070
0.0000
0.0000
0.0000
0.0000
0.00

Rate

29.02
0.12
0.0809
0.1078
0.1625
0.00030
0.00040
0.00070
0.0000
0.0000
0.0000
0.0000
0.00

Rate

29.18
0.12
0.0906
0.1201
0.1625
0.00040
0.00050
0.00070
0.0000
0.0000
0.0000
0.0000
0.00

Rate

36.54
0.15
0.0906
0.1201
0.1625
0.00040
0.00050
0.00070
0.0000
0.0000
0.0000
0.0000
0.00

Rate

0.00
0.0898
0.00040
0.0000
0.0000
0.0000
0.0000
0.0000
0.00

Rate

0.00
0.5320
0.6078
0.00200
0.00240
0.0000
0.0000
0.0000
0.0000
0.0000
0.00

Rate

0.00
0.8029
0.8788
0.00320
0.00350
0.0000
0.0000
0.0000
0.0000
0.00

Rate

0.00
0.6078
0.00240
0.0000
0.0000
0.0000
0.0000
0.0000
0.00

Rate

0.00
0.8788
0.00350
0.0000
0.0000
0.0000
0.0000
0.0000
0.00

Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Price Cap Adjustment

Price Cap Adjustment	Price Cap Adjustment	
Metric Applied To	All Customers	
Method of Application	Both Uniform%	
Uniform Service Charge Percent	2.300%	Uniform Volumetric Charge Percent 2.300% kWh 2.300% kW

Monthly Service Charge

Class	Metric	Base Rate	To This Class	% Adjustment	Adj To Base
Year-Round Residential – R2	Customer - 12 per year	17.170000	Yes	2.300%	0.394910
Seasonal Residential – R4	Customer - 12 per year	29.020000	Yes	2.300%	0.667460
General Service Single Phase – G1	Customer - 12 per year	29.180000	Yes	2.300%	0.671140
General Service Three Phase – G3	Customer - 12 per year	36.540000	Yes	2.300%	0.840420
Street Lighting	Connection - 12 per year	0.000000	Yes	2.300%	0.000000
Standard A Residential Road/Rail	Customer - 12 per year	0.000000	Yes	2.300%	0.000000
Standard A Residential Air Access	Customer - 12 per year	0.000000	Yes	2.300%	0.000000
Standard A General Service Road/Rail	Customer - 12 per year	0.000000	Yes	2.300%	0.000000
Standard A General Service Air Access	Customer - 12 per year	0.000000	Yes	2.300%	0.000000

Volumetric Distribution Charge 1

Class	Metric	Base Rate	To This Class	% Adjustment	Adj To Base
Year-Round Residential – R2	kWh	0.080900	Yes	2.300%	0.001861
Seasonal Residential – R4	kWh	0.080900	Yes	2.300%	0.001861
General Service Single Phase – G1	kWh	0.090600	Yes	2.300%	0.002084
General Service Three Phase – G3	kWh	0.090600	Yes	2.300%	0.002084
Street Lighting	kWh	0.089800	Yes	2.300%	0.002065
Standard A Residential Road/Rail	kWh	0.532000	Yes	2.300%	0.012236
Standard A Residential Air Access	kWh	0.802900	Yes	2.300%	0.018467
Standard A General Service Road/Rail	kWh	0.607800	Yes	2.300%	0.013979
Standard A General Service Air Access	kWh	0.878800	Yes	2.300%	0.020212

Volumetric Distribution Charge 2

Class	Metric	Base Rate	To This Class	% Adjustment	Adj To Base
Year-Round Residential – R2	kWh	0.107800	Yes	2.300%	0.002479
Seasonal Residential – R4	kWh	0.107800	Yes	2.300%	0.002479
General Service Single Phase – G1	kWh	0.120100	Yes	2.300%	0.002762
General Service Three Phase – G3	kWh	0.120100	Yes	2.300%	0.002762
Street Lighting	kWh	0.000000	Yes	2.300%	0.000000
Standard A Residential Road/Rail	kWh	0.607800	Yes	2.300%	0.013979
Standard A Residential Air Access	kWh	0.878800	Yes	2.300%	0.020212
Standard A General Service Road/Rail	kWh	0.000000	Yes	2.300%	0.000000
Standard A General Service Air Access	kWh	0.000000	Yes	2.300%	0.000000

Volumetric Distribution Charge 3

Class	Metric	Base Rate	To This Class	% Adjustment	Adj To Base
Year-Round Residential – R2	kWh	0.162500	Yes	2.300%	0.003738
Seasonal Residential – R4	kWh	0.162500	Yes	2.300%	0.003738
General Service Single Phase – G1	kWh	0.162500	Yes	2.300%	0.003738
General Service Three Phase – G3	kWh	0.162500	Yes	2.300%	0.003738
Street Lighting	kWh	0.000000	Yes	2.300%	0.000000
Standard A Residential Road/Rail	kWh	0.000000	Yes	2.300%	0.000000
Standard A Residential Air Access	kWh	0.000000	Yes	2.300%	0.000000
Standard A General Service Road/Rail	kWh	0.000000	Yes	2.300%	0.000000
Standard A General Service Air Access	kWh	0.000000	Yes	2.300%	0.000000

Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

After Price Cap Base Distribution Rates General

Monthly Service Charge

Class	Metric	Base Rate	Price Cap Adjustment	After Price Cape Base
Year-Round Residential – R2	Customer - 12 per year	17.170000	0.394910	17.564910
Seasonal Residential – R4	Customer - 12 per year	29.020000	0.667460	29.687460
General Service Single Phase – G1	Customer - 12 per year	29.180000	0.671140	29.851140
General Service Three Phase – G3	Customer - 12 per year	36.540000	0.840420	37.380420
Street Lighting	Connection - 12 per year	0.000000	0.000000	0.000000
Standard A Residential Road/Rail	Customer - 12 per year	0.000000	0.000000	0.000000
Standard A Residential Air Access	Customer - 12 per year	0.000000	0.000000	0.000000
Standard A General Service Road/Rail	Customer - 12 per year	0.000000	0.000000	0.000000
Standard A General Service Air Access	Customer - 12 per year	0.000000	0.000000	0.000000

Volumetric Distribution Charge1

Class	Metric	Base Rate	Price Cap Adjustment	After Price Cape Base
Year-Round Residential – R2	kWh	0.080900	0.001861	0.082761
Seasonal Residential – R4	kWh	0.080900	0.001861	0.082761
General Service Single Phase – G1	kWh	0.090600	0.002084	0.092684
General Service Three Phase – G3	kWh	0.090600	0.002084	0.092684
Street Lighting	kWh	0.089800	0.002065	0.091865
Standard A Residential Road/Rail	kWh	0.532000	0.012236	0.544236
Standard A Residential Air Access	kWh	0.802900	0.018467	0.821367
Standard A General Service Road/Rail	kWh	0.607800	0.013979	0.621779
Standard A General Service Air Access	kWh	0.878800	0.020212	0.899012

Volumetric Distribution Charge2

Class	Metric	Base Rate	Price Cap Adjustment	After Price Cape Base
Year-Round Residential – R2	kWh	0.107800	0.002479	0.110279
Seasonal Residential – R4	kWh	0.107800	0.002479	0.110279
General Service Single Phase – G1	kWh	0.120100	0.002762	0.122862
General Service Three Phase – G3	kWh	0.120100	0.002762	0.122862
Street Lighting	kWh	0.000000	0.000000	0.000000
Standard A Residential Road/Rail	kWh	0.607800	0.013979	0.621779
Standard A Residential Air Access	kWh	0.878800	0.020212	0.899012
Standard A General Service Road/Rail	kWh	0.000000	0.000000	0.000000
Standard A General Service Air Access	kWh	0.000000	0.000000	0.000000

Volumetric Distribution Charge3

Class	Metric	Base Rate	Price Cap Adjustment	After Price Cape Base
Year-Round Residential – R2	kWh	0.162500	0.003738	0.166238
Seasonal Residential – R4	kWh	0.162500	0.003738	0.166238
General Service Single Phase – G1	kWh	0.162500	0.003738	0.166238
General Service Three Phase – G3	kWh	0.162500	0.003738	0.166238
Street Lighting	kWh	0.000000	0.000000	0.000000
Standard A Residential Road/Rail	kWh	0.000000	0.000000	0.000000
Standard A Residential Air Access	kWh	0.000000	0.000000	0.000000
Standard A General Service Road/Rail	kWh	0.000000	0.000000	0.000000
Standard A General Service Air Access	kWh	0.000000	0.000000	0.000000



Name of LDC: Hydro One Remote Communities Inc.
File Number: EB-2009-0230
Effective Date: Saturday, May 01, 2010

Applied For Monthly Rates and Charges General

Rate Class

Year-Round Residential – R2

Rate Description	Metric	Rate
Service Charge	\$	17.56
Distribution Volumetric Rate	\$/kWh	0.0828
Energy Charge Next 1,500 kWh	\$/kWh	0.1103
Energy Charge All Additional kWh	\$/kWh	0.1662

Rate Class

Seasonal Residential – R4

Rate Description	Metric	Rate
Service Charge	\$	29.69
Distribution Volumetric Rate	\$/kWh	0.0828
Energy Charge Next 1,500 kWh	\$/kWh	0.1103
Energy Charge All Additional kWh	\$/kWh	0.1662

Rate Class

General Service Single Phase – G1

Rate Description	Metric	Rate
Service Charge	\$	29.85
Distribution Volumetric Rate	\$/kWh	0.0927
Energy Charge Next 7,000 kWh	\$/kWh	0.1229
Energy Charge All Additional kWh	\$/kWh	0.1662

Rate Class

General Service Three Phase – G3

Rate Description	Metric	Rate
Service Charge	\$	37.38
Distribution Volumetric Rate	\$/kWh	0.0927
Energy Charge Next 15,000 kWh	\$/kWh	0.1229
Energy Charge All Additional kWh	\$/kWh	0.1662

Rate Class

Street Lighting

Rate Description	Metric	Rate
Distribution Volumetric Rate	\$/kWh	0.0919

Rate Class

Standard A Residential Road/Rail

Rate Description	Metric	Rate
Distribution Volumetric Rate	\$/kWh	0.5442
Energy Charge All Additional kWh	\$/kWh	0.6218

Rate Class

Standard A Residential Air Access

Rate Description	Metric	Rate
Distribution Volumetric Rate	\$/kWh	0.8214
Energy Charge All Additional kWh	\$/kWh	0.8990

Rate Class

Standard A General Service Road/Rail

Rate Description	Metric	Rate
Distribution Volumetric Rate	\$/kWh	0.6218

Rate Class

Standard A General Service Air Access

Rate Description	Metric	Rate
Distribution Volumetric Rate	\$/kWh	0.8990

Customer Bill Impacts

1
2

Residential - Year Round - Non Std. 'A'			
Monthly kWh	Total Bill (Current Rates)	Total Bill (Incl Rider)	Percentage Increase
-	\$ 17.24	\$ 17.56	1.9%
100	\$ 25.36	\$ 25.84	1.9%
250	\$ 37.54	\$ 38.26	1.9%
500	\$ 57.84	\$ 58.96	1.9%
750	\$ 78.14	\$ 79.66	1.9%
1,000	\$ 98.44	\$ 100.36	2.0%
1,500	\$ 152.54	\$ 155.51	1.9%
2,000	\$ 206.64	\$ 210.66	1.9%
2,500	\$ 260.74	\$ 265.81	1.9%
3,000	\$ 342.34	\$ 348.91	1.9%
3,500	\$ 423.94	\$ 432.01	1.9%

3

Residential - Seasonal			
Monthly kWh	Total Bill (Existing Rates)	Total Bill (Incl Rider)	Percentage Increase
-	\$ 29.14	\$ 29.69	1.9%
100	\$ 37.26	\$ 37.97	1.9%
250	\$ 49.44	\$ 50.39	1.9%
500	\$ 69.74	\$ 71.09	1.9%
750	\$ 90.04	\$ 91.79	1.9%
1,000	\$ 110.34	\$ 112.49	1.9%
1,500	\$ 164.44	\$ 167.64	1.9%
2,000	\$ 218.54	\$ 222.79	1.9%
2,500	\$ 272.64	\$ 277.94	1.9%
3,000	\$ 354.24	\$ 361.04	1.9%
3,500	\$ 435.84	\$ 444.14	1.9%

4

General Service 1-Phase - Non Std. 'A'			
Monthly kWh	Total Bill (Existing Rates)	Total Bill (Incl Rider)	Percentage Increase
0	\$ 29.30	\$ 29.85	1.9%
1000	\$ 120.30	\$ 122.55	1.9%
2,000	\$ 211.30	\$ 215.25	1.9%
6,000	\$ 575.30	\$ 586.05	1.9%
10,000	\$ 1,057.70	\$ 1,077.65	1.9%
13,000	\$ 1,419.50	\$ 1,446.35	1.9%
20,000	\$ 2,561.90	\$ 2,609.75	1.9%

1

General Service 3-Phase - Non Std. 'A'			
Monthly kWh	Total Bill (Existing Rates)	Total Bill (Incl Rider)	Percentage Increase
0	\$ 36.69	\$ 37.38	1.9%
2,000	\$ 218.69	\$ 222.78	1.9%
6,000	\$ 582.69	\$ 593.58	1.9%
25,000	\$ 2,311.69	\$ 2,354.88	1.9%
30,000	\$ 2,914.69	\$ 2,969.38	1.9%
40,000	\$ 4,120.69	\$ 4,198.38	1.9%
45,000	4,936.69	5,029.38	1.9%

2

Residential - Road Access - Std. 'A'				
Monthly kWh		Total Bill (Existing Rates)	Total Bill (Incl Rider)	Percentage Increase
0	\$	-	\$ -	
100	\$	53.40	\$ 54.42	1.9%
250	\$	133.50	\$ 136.05	1.9%
500	\$	286.05	\$ 291.50	1.9%
750	\$	438.60	\$ 446.95	1.9%
1,000	\$	591.15	\$ 602.40	1.9%
1,500	\$	896.25	\$ 913.30	1.9%
2,000	\$	1,201.35	\$ 1,224.20	1.9%
2,500	\$	1,506.45	\$ 1,535.10	1.9%
2,750	\$	1,659.00	\$ 1,690.55	1.9%
3,000	\$	1,811.55	\$ 1,846.00	1.9%

1

Residential - Air Access - Std. 'A'				
Monthly kWh		Total Bill (Existing Rates)	Total Bill (Incl Rider)	Percentage Increase
0	\$	-	\$ -	
100	\$	80.61	\$ 82.14	1.9%
250	\$	201.53	\$ 205.35	1.9%
500	\$	422.10	\$ 430.10	1.9%
750	\$	642.68	\$ 654.85	1.9%
1,000	\$	863.25	\$ 879.60	1.9%
1,500	\$	1,304.40	\$ 1,329.10	1.9%
2,000	\$	1,745.55	\$ 1,778.60	1.9%
2,500	\$	2,186.70	\$ 2,228.10	1.9%
2,750	\$	2,407.28	\$ 2,452.85	1.9%
3,000	\$	2,627.85	\$ 2,677.60	1.9%

2

General Service - Road Access - Std. 'A'				
Monthly kWh	Total Bill (Existing Rates)	Total Bill (Incl Rider)	Percentage Increase	
0	\$ -	\$ -		
1,000	\$ 610.20	\$ 621.80	1.9%	
3,500	\$ 2,135.70	\$ 2,176.30	1.9%	
6,000	\$ 3,661.20	\$ 3,730.80	1.9%	
10,000	\$ 6,102.00	\$ 6,218.00	1.9%	
13,000	\$ 7,932.60	\$ 8,083.40	1.9%	
17,500	\$ 10,678.50	\$ 10,881.50	1.9%	
20,000	\$ 12,204.00	\$ 12,436.00	1.9%	
25,000	\$ 15,255.00	\$ 15,545.00	1.9%	

1

General Service - Air Access - Std. 'A'				
Monthly kWh	Total Bill (Existing Rates)	Total Bill (Incl Rider)	Percentage Increase	
0	\$ -	\$ -		
1,000	\$ 882.30	\$ 899.00	1.9%	
3,500	\$ 3,088.05	\$ 3,146.50	1.9%	
6,000	\$ 5,293.80	\$ 5,394.00	1.9%	
10,000	\$ 8,823.00	\$ 8,990.00	1.9%	
13,000	\$ 11,469.90	\$11,687.00	1.9%	
17,500	\$ 15,440.25	\$15,732.50	1.9%	
20,000	\$ 17,646.00	\$17,980.00	1.9%	
25,000	\$ 22,057.50	\$22,475.00	1.9%	

2

1 **DEVELOPMENT OF DISTRIBUTION RATES FOR MAY 1, 2010**

2
3 **1.0 DERIVATION OF PROPOSED 2010 RATES**

4
5 Remotes' proposed 2010 rates are derived following the OEB Guidelines on Third
6 Generation Incentive Regulation Mechanism (IRM) Adjustment issued July 22, 2009.

7
8 Remotes has used the Implicit Price Index for Gross Domestic Product (GDP-IPI) from
9 2008 as the price cap. An X-factor productivity adjustment is not included because
10 Remotes is not included in any of the comparator groups developed by Board staff to
11 determine the productivity adjustment factors. Remotes continues to look to ways to
12 effectively manage its costs, and efficiencies are passed through to ratepayers through the
13 RRRP variance account.

14
15 The starting point for all customer rates in this application are the 2009 rates approved by
16 the Board in Proceeding EB-2008-0232, net of the forgone revenue rider, which will end
17 on April 30, 2010.

18
19 The GDP-IPI was applied equally to all customer classes and to all consumption
20 thresholds.

21
22 Because Remotes is an integrated utility, Remotes' rates include charges for generation
23 and distribution services. Therefore, the GDP-IPI was applied to generation and
24 distribution services.

25
26 The Board did not approve a provision for Payments in Lieu of Taxes in EB-2008-0232.
27 Therefore, Remotes does not propose to implement a Shared Tax Saving Rate rider.

1 **2.0 BILL IMPACT ANALYSIS**

2

3 As required by the OEB 2009 Third Generation IRM guidelines, Remotes is including the
4 bill impact calculations of applying the GDP-IPI for customer classes at various levels of
5 consumption, net of the Debt Retirement Charge and/or sales taxes.

6

7 The impacts are shown in Exhibit B, Tab 2, Schedule 1.

8

9 The impacts of all the proposed rate changes for each customer class based on average
10 consumption do not exceed 10% on total bill and therefore no bill impact mitigation is
11 required, as per Board guidelines.

12

13 **3.0 RATE SCHEDULES**

14

15 The current and proposed rate schedules are included in Exhibit C Tab 1 Schedules 1 and
16 2.

17

18 Miscellaneous Charges Rate Schedules are unchanged from the approved 2009 charges in
19 Proceeding EB-2005-0497 and are included with the proposed Rate Schedules in
20 Exhibit C.

21

Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

Effective May 1, 2009

Implementation June 1, 2009

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

EB-2008-0232

APPLICATION

- The application of these rates and charges shall be in accordance with the Licence of the Distributor and any Codes, Guidelines or Orders 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 generation, transmission and/or distribution of electricity and charges to meet the costs of any work or service done or furnished for the purpose of the generation, transmission and/or distribution of electricity shall be made except as permitted by this schedule, unless required by the Distributor's Licence or a Code, Guideline or Order of the Board, and amendments thereto as approved by the Board, or as specified herein.

IMPLEMENTATION DATES

- ELECTRICITY RATES – June 1, 2009 for all consumption or deemed consumption used on or after that date.
- SPECIFIC SERVICE CHARGES – June 1, 2009 for all charges incurred by customers on or after that date.

SERVICE CLASSIFICATIONS

Non Standard A Residential

Year-Round Residential - R2

This classification refers to a residential service that is the principal residence of the customer. This classification may include additional buildings served through the same meter, provided they are not rental income units. To be classed as year round residential, all of the following criteria must be met:

- Occupants must state that this is their principal residence for purposes of the Income Tax Act;
- The occupant must live in this residence for at least 8 months of the year;
- The address of this residence must appear on the occupant's electric bill, driver's licence, credit card invoice, property tax bill, etc.;
- Occupants who are eligible to vote in Provincial or Federal elections must be enumerated for this purpose at the address of this residence.

Seasonal Residential – R4

This classification is comprised of any residential service not meeting the year-round residential criteria. As such, the seasonal residential class includes cottages, chalets, and camps.

Non Standard A General Service

This classification is applicable to any service that does not fit the description of the year-round residential or seasonal residential. Generally, it is comprised of commercial, administrative, recreational, and auxiliary services. It includes combination of services where a variety of uses are made of the service by the owner of one property, and all multiple services except residential.

General Service Single Phase – G1

This classification is applicable to General Service Single Phase customers.

General Service Three Phase – G3

This classification is applicable to General Service Three Phase customers.

Unmetered Scattered Load

This classification applies where connections can be provided without metering. These loads are generally small in size and consistent in magnitude of load. Remotes reserves the right to review all cases and may request a meter be installed at its sole discretion. All unmetered connections fall under the General Service or Lights rate classifications.

Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

Effective May 1, 2009

Implementation June 1, 2009

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

EB-2008-0232

Street Lighting

The energy consumption for street lights is estimated based on Remote's profile for street lighting load, which provides the amount of time each month that the street lights are operating. Streetlight charges include:

- An energy charge based on installed load, at a rate approved annually (Dollars per kWh x # of fixtures x billing);
- A pole rental charge approved annually, when the light is attached to a Remotes pole.

Remotes must approve the location of new lighting installations on its poles and the streetlight owner must enter into an agreement to use such poles. Remotes will make the electrical service connection of all streetlights to the distribution system.

Standard A Service

Standard A rates are applicable to all accounts paid directly or indirectly out of Federal and/or Provincial government revenue.

Exceptions to these are:

- Crown Corporations
- Community Centres/Halls
- Ice Rinks/Arenas
- Radio, Televisions and Cable
- Libraries

Any Standard A account may be reclassified as General Service, Residential Year-Round or Residential-Seasonal at any time.

To reclassify a Standard A account, a letter from the accountable Federal and/or Provincial Government agency must be provided to Remotes stating that the account does not receive any direct and/or indirect funding of a continuous nature. An alternative to this letter would be a declaration from a Director of the organization stating that the organization receives no funding. This declaration must be accompanied by an audited statement, which includes the funding source. An example of direct funding is an MTO account paid directly by MTO. An example of indirect funding is a First Nation School account paid by a First Nation through funding by Indian and Northern Affairs Canada.

Standard A Residential Road/Rail

This classification is applicable to residential customers in communities that are accessible by a year-round road or by rail.

Standard A Residential Air Access

This classification is applicable to residential customers in communities that are not accessible by a year-round road or by rail.

Standard A General Service Road/Rail

This classification is applicable to all non-residential Standard A customers in communities that are accessible by a year-round road or by rail.

Standard A General Service Air Access

This classification is applicable to all non-residential Standard A customers in communities that are not accessible by a year-round road or by rail.

MONTHLY RATES AND CHARGES

Year-Round Residential – R2

Service Charge	\$	17.17
Foregone Distribution Revenue Rate Rider – Service Charge – effective until April 30, 2010	\$	0.07
Energy Charge First 1,000 kWh	\$/kWh	0.0809
Foregone Distribution Revenue Rate Rider – First 1,000 kWh – effective until April 30, 2010	\$/kWh	0.0003
Energy Charge Next 1,500 kWh	\$/kWh	0.1078
Foregone Distribution Revenue Rate Rider – Next 1,500 kWh – effective until April 30, 2010	\$/kWh	0.0004
Energy Charge All Additional kWh	\$/kWh	0.1625
Foregone Distribution Revenue Rate Rider – All Additional kWh – effective until April 30, 2010	\$/kWh	0.0007

Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

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Seasonal Residential – R4

Service Charge	\$	29.02
Foregone Distribution Revenue Rate Rider – Service Charge – effective until April 30, 2010	\$	0.12
Energy Charge First 1,000 kWh	\$/kWh	0.0809
Foregone Distribution Revenue Rate Rider – First 1,000 kWh – effective until April 30, 2010	\$/kWh	0.0003
Energy Charge Next 1,500 kWh	\$/kWh	0.1078
Foregone Distribution Revenue Rate Rider – Next 1,500 kWh – effective until April 30, 2010	\$/kWh	0.0004
Energy Charge All Additional kWh	\$/kWh	0.1625
Foregone Distribution Revenue Rate Rider – All Additional kWh – effective until April 30, 2010	\$/kWh	0.0007

General Service Single Phase – G1

Service Charge	\$	29.18
Foregone Distribution Revenue Rate Rider – Service Charge – effective until April 30, 2010	\$	0.12
Energy Charge First 6,000 kWh	\$/kWh	0.0906
Foregone Distribution Revenue Rate Rider – First 6,000 kWh – effective until April 30, 2010	\$/kWh	0.0004
Energy Charge Next 7,000 kWh	\$/kWh	0.1201
Foregone Distribution Revenue Rate Rider – Next 7,000 kWh – effective until April 30, 2010	\$/kWh	0.0005
Energy Charge All Additional kWh	\$/kWh	0.1625
Foregone Distribution Revenue Rate Rider – All Additional kWh – effective until April 30, 2010	\$/kWh	0.0007

General Service Three Phase – G3

Service Charge	\$	36.54
Foregone Distribution Revenue Rate Rider – Service Charge – effective until April 30, 2010	\$	0.15
Energy Charge First 25,000 kWh	\$/kWh	0.0906
Foregone Distribution Revenue Rate Rider – First 25,000 kWh – effective until April 30, 2010	\$/kWh	0.0004
Energy Charge Next 15,000 kWh	\$/kWh	0.1201
Foregone Distribution Revenue Rate Rider – Next 15,000 kWh – effective until April 30, 2010	\$/kWh	0.0005
Energy Charge All Additional kWh	\$/kWh	0.1625
Foregone Distribution Revenue Rate Rider – All Additional kWh – effective until April 30, 2010	\$/kWh	0.0007

Street Lighting

Energy Charge	\$/kWh	0.0898
Foregone Distribution Revenue Rate Rider – All kWh – effective until April 30, 2010	\$/kWh	0.0004

Standard A Residential Road/Rail

Energy Charge First 250 kWh	\$/kWh	0.5320
Foregone Distribution Revenue Rate Rider – First 250 kWh – effective until April 30, 2010	\$/kWh	0.0020
Energy Charge All additional kWh	\$/kWh	0.6078
Foregone Distribution Revenue Rate Rider – All Additional kWh – effective until April 30, 2010	\$/kWh	0.0024

Standard A Residential Air Access

Energy Charge First 250 kWh	\$/kWh	0.8029
Foregone Distribution Revenue Rate Rider – First 250 kWh – effective until April 30, 2010	\$/kWh	0.0032
Energy Charge All additional kWh	\$/kWh	0.8788
Foregone Distribution Revenue Rate Rider – All Additional kWh – effective until April 30, 2010	\$/kWh	0.0035

Standard A General Service Road/Rail

Energy Charge	\$/kWh	0.6078
Foregone Distribution Revenue Rate Rider – All kWh – effective until April 30, 2010	\$/kWh	0.0024

Hydro One Remote Communities Inc.
TARIFF OF RATES AND CHARGES
Effective May 1, 2009
Implementation June 1, 2009

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 approved schedules of Rates and Charges**

EB-2008-0232

Standard A General Service Air Access

Energy Charge	\$/kWh	0.8788
Foregone Distribution Revenue Rate Rider – All kWh – effective until April 30, 2010	\$/kWh	0.0035

Specific Service Charges

Customer Administration		
Arrears Certificate	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned Cheque (plus bank charges)	\$	15.00
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/Disconnection/Load Limiter/Reconnection – if in Community	\$	65.00

1 **Hydro One Remote Communities Inc.**
2 **TARIFF OF RATES AND CHARGES**
3 **Effective May 1, 2010**
4

5 **This schedule supersedes and replaces all previously**
6 **approved schedules of Rates and Charges**
7

8 **APPLICATION**
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10 - The application of these rates and charges shall be in accordance with the Licence of the Distributor and
11 any Codes, Guidelines or Orders of the Board, and amendments thereto as approved by the Board, which
12 may be applicable to the administration of this schedule.
13 - No rates and charges for the generation, transmission and/or distribution of electricity and charges to meet
14 the costs of any work or service done or furnished for the purpose of the generation, transmission and/or
15 distribution of electricity shall be made except as permitted by this schedule, unless required by the
16 Distributor's Licence or a Code, Guideline or Order of the Board, and amendments thereto as approved by
17 the Board, or as specified herein.
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19 **Effective Dates**
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21 **RATES – May 1, 2010 for all consumption or deemed consumption service used on or after that date**
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23 **MISCELLANEOUS CHARGES – May 1, 2010 for all charges billed to customers on or after that date**
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25 **SERVICE CLASSIFICATIONS**
26

27 **Non Standard A Residential**
28 **Year-Round Residential - R2**

29 This classification refers to a residential service that is the principal residence of the customer. This
30 classification may include additional buildings served through the same meter, provided they are not rental
31 income units. To be classed as year round residential, all of the following criteria must be met:
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- 33 • Occupants must state that this is their principal residence for purposes of the Income Tax Act;
- 34 • The occupant must live in this residence for at least 8 months of the year;
- 35 • The address of this residence must appear on the occupant's electric bill, driver's licence, credit
36 card invoice, property tax bill, etc.;
- 37 • Occupants who are eligible to vote in Provincial or Federal elections must be enumerated for this
38 purpose at the address of this residence.
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43 **Seasonal Residential – R4**

44 This classification is comprised of any residential service not meeting the year-round residential criteria. As
45 such, the seasonal residential class includes cottages, chalets, and camps.
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47 **Non Standard A General Service**

48 This classification is applicable to any service that does not fit the description of the year-round residential or
49 seasonal residential. Generally, it is comprised of commercial, administrative, recreational, and auxiliary
50 services. It includes combination of services where a variety of uses are made of the service by the owner of
51 one property, and all multiple services except residential.
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53 **General Service Single Phase – G1**

54 This classification is applicable to General Service Single Phase customers.
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Hydro One Remote Communities Inc.

TARIFF OF RATES AND CHARGES

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General Service Three Phase – G3

This classification is applicable to General Service Three Phase customers.

General Service over 50 kW

Customers estimated to have an average monthly peak load over 50 kW shall be metered on monthly kW as well as kWh.

Unmetered Scattered Load

This classification applies where connections can be provided without metering. These loads are generally small in size and consistent in magnitude of load. Remotes reserves the right to review all cases and may request a meter be installed at its sole discretion. All unmetered connections fall under the General Service or Lights rate classifications.

Street Lighting

The energy consumption for street lights is estimated based on Remote's profile for street lighting load, which provides the amount of time each month that the street lights are operating. Streetlight charges include:

- An energy charge based on installed load, at a rate approved annually (Dollars per kWh x # of fixtures x billing);
- A pole rental charge approved annually, when the light is attached to a Remotes pole.

Remotes must approve the location of new lighting installations on its poles and the streetlight owner must enter into an agreement to use such poles. Remotes will make the electrical service connection of all streetlights to the distribution system.

Standard A Service

Standard A rates are applicable to all accounts paid directly or indirectly out of Federal and/or Provincial government revenue.

Exceptions to these are:

- Crown Corporations
- Community Centres/Halls
- Ice Rinks/Arenas
- Radio, Televisions and Cable
- Libraries

Any Standard A account may be reclassified as General Service, Residential Year-Round or Residential-Seasonal at any time. To reclassify a Standard A account, a letter from the accountable Federal and/or Provincial Government agency must be provided to Remotes stating that the account does not receive any direct and/or indirect funding of a continuous nature. An alternative to this letter would be a declaration from a Director of the organization stating that the organization receives no funding. This declaration must be accompanied by an audited statement, which includes the funding source. An example of direct funding is an MTO account paid directly by MTO. An example of indirect funding is a First Nation School account paid by a First Nation through funding by Indian and Northern Affairs Canada.

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Standard A Residential Road/Rail

This classification is applicable to residential customers in communities that are accessible by a year-round road or by rail.

Standard A Residential Air Access

This classification is applicable to residential customers in communities that are not accessible by a year-round road or by rail.

Standard A General Service Road/Rail

This classification is applicable to all non-residential Standard A customers in communities that are accessible by a year-round road or by rail.

Standard A General Service Air Access

This classification is applicable to all non-residential Standard A customers in communities that are not accessible by a year-round road or by rail.

MONTHLY RATES AND CHARGES

Year-Round Residential – R2

Service Charge	\$	17.56
Energy Charge First 1,000 kWh	\$/kWh	0.0828
Energy Charge Next 1,500 kWh	\$/kWh	0.1103
Energy Charge All Additional kWh	\$/kWh	0.1662

Seasonal Residential – R4

Service Charge	\$	29.69
Energy Charge First 1,000 kWh	\$/kWh	0.0828
Energy Charge Next 1,500 kWh	\$/kWh	0.1103
Energy Charge All Additional kWh	\$/kWh	0.1662

General Service Single Phase – G1

Service Charge	\$	29.85
Energy Charge First 6,000 kWh	\$/kWh	0.0927
Energy Charge Next 7,000 kWh	\$/kWh	0.1229
Energy Charge All Additional kWh	\$/kWh	0.1662

General Service Three Phase – G3

Service Charge	\$	37.38
Energy Charge First 25,000 kWh	\$/kWh	0.0927
Energy Charge Next 15,000 kWh	\$/kWh	0.1229
Energy Charge All Additional kWh	\$/kWh	0.1662

Street Lighting

Energy Charge	\$/kWh	0.0919
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Hydro One Remote Communities Inc.
TARIFF OF RATES AND CHARGES
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Standard A Residential Road/Rail

Energy Charge First 250 kWh	\$/kWh	0.5442
Energy Charge All additional kWh	\$/kWh	0.6218

Standard A Residential Air Access

Energy Charge First 250 kWh	\$/kWh	0.8214
Energy Charge All additional kWh	\$/kWh	0.8990

Standard A General Service Road/Rail

Energy Charge	\$/kWh	0.6218
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Standard A General Service Air Access

Energy Charge	\$/kWh	0.8990
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Specific Service Charges

Customer Administration		
Arrears Certificate	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Returned Cheque (plus bank charges)	\$	15.00
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/Disconnection/Load Limiter/Reconnection – if in Community	\$	65.00