

Hydro One Networks Inc.

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Susan.E.Frank@HydroOne.com



Susan Frank

Vice President and Chief Regulatory Officer
Regulatory Affairs

BY COURIER

April 28, 2010

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

Dear Ms Walli:

**EB-2009-0096 – Hydro One Networks 2010 and 2011 Distribution Rate Application –
Draft Rate Order – Response to Intervenors Comments**

Further to our letter dated April 26, 2010 Hydro One has reviewed the comments from Board Staff, CME and Consumers Council of Canada (“Council”) on our customer rate notices.

We have incorporated many of the comments suggested by intervenors, taking into consideration the need to communicate clearly with customers within the space constraints of the Notice. A summary of the changes we have not made to the customer rate notices and our rationale is noted below. We have also included a clean and blackline versions of the updated customer rate notices.

We have not made the following changes:

CME:

- We have not added a bullet on the Province-wide Green Energy Charge. The mechanism for collecting this charge has not yet been determined and explaining this to customers until the details have been confirmed is not appropriate.

Council:

- Using 1,000 kWh per month for Hydro One is more reflective of the average consumption of Hydro One’s residential customers with a normal density (R1)
- We have indicated that we will provide customers 30 days advance notice before they are switched to TOU prices. It is speculative at this point to indicate which communities will be switching to TOU.
- Until it is fact we do not believe it is appropriate to indicate that the Special Purpose Charge will be extended past a year.

In addition, due to space constraints and in order to not incur additional costs for paper and postage, we have removed some copy to be able to incorporate the comments from the Intervenors. Typically, our customer rate notices are 7" by 14 ¾". We recommend keeping the notices to this size.

In summary, we feel we have captured the spirit of the comments from Board staff, CME and the Council.

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank

cc. EB-2009-0096 Intervenors (electronic)



Delivery Rates are Increasing



Partners in Powerful Communities

www.HydroOne.com

Hydro One applied to the Ontario Energy Board (OEB) for a Delivery rate increase for 2010 and 2011

The OEB has approved new delivery rates for Hydro One customers. The delivery rate increase for 2010 will add \$5.66 per month or 9.5% to the Delivery line on the bill for a typical residential customer using 1,000 kWh a month. For a typical general service customer using 2,000 kWh a month, the delivery rate increase for 2010 will add \$9.80 per month or 8.4% to the Delivery line on the bill.

The Delivery line of the bill makes up about 40% of the total bill and pays for bringing electricity to your home or business from the point of generation, across our transmission and distribution system. 2010 delivery rates apply to consumption starting May 1, 2010.

A delivery rate increase is necessary to maintain a reliable electricity distribution system

Our first priority is to deliver electricity to our customers safely, reliably and efficiently. This increase is needed to:

- Replace and maintain equipment nearing its end of life or damaged by storms.
- Build or upgrade our facilities to keep up with customer growth and ensure reliability of the distribution system.
- Fund smart meter installations.
- Connect renewable generation projects (such as wind, solar, hydro, biomass and biogas) to our distribution facilities as part

of the government's *Green Energy and Green Economy Act*.

- Pay for a higher cost of capital, capital costs for physical infrastructure and systems, and compensation.

Hydro One is wholly owned by the Province of Ontario. In 2009, we paid \$188 million in dividends to the Province and \$77 million in payments in lieu of corporate income taxes, including capital taxes, to the Ontario Electricity Financial Corporation.

Our delivery rates underwent a rigorous regulatory review

This included a public hearing by the OEB. Public participation helps ensure the OEB makes an informed decision on our delivery rates.

In its Decision, the OEB has reduced some of our proposed spending. This reduction results in lower delivery rates than were originally requested.

Are there any other changes to my bill?

Other components on the bill are also changing. These include:

- Electricity: Most customers pay the two-tier Regulated Price Plan (RPP) for electricity, which make up about half of your total bill. The OEB adjusts RPP prices every spring and every fall. As of May 1, 2010, the OEB has increased RPP prices, which is expected to add approximately 8% to the total bill.
- Time-of-Use (TOU) prices: As part of the provincial government's plan to promote a culture of energy conservation, Hydro One is

(over)

How much will my bill increase?

The amount your bill will increase depends on your service type and the amount of electricity you use. An average customer will see the following increase on his or her bill.

Service Type	Electricity used Monthly	Average increase on Delivery line of bill	Average % increase on Delivery line of bill	Average % increase on Total bill
Residential – Urban Density	1,000 kWh	\$5.58	11.0%	4.2%
Residential – High Density	1,000 kWh	\$5.66	9.5%	4.0%
Residential – Normal Density	1,000 kWh	\$6.34	6.7%	3.6%
Seasonal – High Density	500 kWh	\$8.91	16.3%	9.6%
Seasonal – Normal Density	500 kWh	\$7.18	11.5%	7.1%
General Service	2,000 kWh	\$9.80	8.4%	3.4%

The *Delivery* line on your bill will reflect this delivery rate increase, which includes increases in both distribution and transmission charges. Your first bill issued after May 19, 2010, will reflect these changes. For more information, go to www.HydroOne.com/2010Rates or call us.

introducing TOU electricity prices for most customers. TOU prices will impact your bill. Your bill may be higher or lower depending on your ability to shift your usage to off-peak periods. Hydro One will notify customers 30 days in advance of the switch to TOU prices.

- **Harmonized Sales Tax (HST):** A 13% HST will replace the 5% GST in Ontario on July 1, 2010. HST will be charged on bills for electricity consumed after June 30, 2010.

- **Special Purpose Charge:** The provincial government is introducing this charge to pay for conservation and renewable energy programs. It will appear under Regulatory Charges on your bill and it will add about \$4 a year to your electricity bill. You'll pay this charge for one year starting on May 1, 2010.

Where to look on your bill

Here's an overview of the charges on your bill.

1	Electricity: 600 kWh @ 6.5000 ¢ 485 kWh @ 7.5000 ¢	\$36.38
2	Delivery	\$64.27
3	Regulatory Charges	\$7.71
4	Debt Retirement Charge	\$7.00
5	GST (87086-5821-RT0001)	\$7.72
	Total of your electricity charges	\$162.08

1 Electricity

This is how much electricity was delivered across our system from generating facilities to your home or business for your use. It shows your usage in kWh and the cost per kWh. RPP electricity prices are set by the OEB. We pay the money collected to the companies that generate electricity (such as Ontario Power Generation and Bruce Power) and pass this cost on to you with no mark-up or profit. If you have signed up with a retailer, you pay the price in your contract and the Provincial Benefit Charge.

2 Delivery

Hydro One Networks is responsible for delivering electricity to your home or business. Some of these charges are fixed and don't change from month to month. The rest are variable and depend on how much electricity you use.

3 Regulatory Charges

Regulatory charges are the costs of administering the wholesale electricity system and maintaining the reliability of the provincial grid and include the costs associated with funding Ministry of Energy and Infrastructure conservation and renewable energy programs.

4 Debt Retirement Charge

The money collected goes to the provincial government to pay down the stranded debt of the former Ontario Hydro. The Ontario Electricity Financial Corporation estimates the debt will be retired between 2014-18.

5 GST/HST

GST collected goes to the federal government. The HST will be charged on electricity consumed in Ontario after June 30, 2010. The provincial portion of the HST will be 8% and the federal portion will be 5%.

Go to our website at www.HydroOne.com to choose your customer type to check your rates and pricing.

2011 delivery rates

We'll implement our 2011 delivery rates on January 1, 2011. More information on this rate increase will be included in your bill this fall.

Helping you manage your electricity use

We have a number of conservation programs for your home or business that can help you save electricity. Our online energy audit tool –

PowerSaverPlus – will give you a detailed or snapshot analysis customized for your home or business. For a complete listing of our programs, visit www.PowerSaver.ca or call us at 1-888-664-9376.

how to reach us

web: www.HydroOne.com

call: Customer Communications Centre 1-866-543-8031
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For power outages and emergencies 1-800-434-1235
24 hours a day, 7 days a week

hydro
one

Partners in Powerful Communities



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Equal
Partners
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www.fsc.org

Delivery Rates are Increasing (Legacy version)

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This included a public hearing by the OEB. Public participation helps ensure the OEB makes an informed decision on our delivery rates.

In its Decision, the OEB has reduced some of our proposed spending. This reduction will result in lower Delivery rates than were originally requested.

How much will my bill increase?

The amount your bill will increase depends on your service type and the amount of electricity you use. An average customer will see the following increase on his or her bill.

Service Type	Electricity Used Monthly	Average increase on Delivery line of bill	Average % increase on Delivery line of bill	Average % increase on Total bill
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Are there any other changes to my bill?

Other components on the bill are also changing. These include:

- **Electricity:** Most customers pay the two-tier Regulated Price Plan (RPP) for electricity, which make up about half of your total bill. The OEB adjusts RPP prices every spring and every fall. As of May 1, 2010, the OEB has increased RPP prices, which is expected to add approximately 8% to the total bill.
- **Time-of-Use (TOU) prices:** As part of the provincial government’s plan to promote a culture of energy conservation in the province, Hydro One is introducing TOU electricity prices for most customers. TOU prices will impact your bill. Your bill may be higher or lower depending on your ability to shift your usage to off-peak periods. Hydro One will notify customers 30 days in advance of the switch to TOU prices.
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Where to look on your bill

Here’s an overview of the charges on your bill.

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2) Delivery

Hydro One Networks is responsible for delivering electricity to your home or business. Some of these charges are fixed and don’t change from month to month. The rest are variable and depend on how much electricity you use.

3) Regulatory Charges

Regulatory charges are the costs of administering the wholesale electricity system and maintaining the reliability of the provincial grid and include the costs associated with funding Ministry of Energy and Infrastructure conservation and renewable energy programs.

4) Debt Retirement Charge

The money collected goes to the provincial government to pay down the stranded debt of the former Ontario Hydro. The Ontario Electricity Financial Corporation estimates the debt will be retired between 2014-18.

5) GST/HST

GST collected goes to the federal government. The HST will be charged on electricity consumed in Ontario after June 30, 2010. The provincial portion of the HST will be 8% and the federal portion will be 5%.

Go to our website at www.HydroOne.com to choose your customer type to see your rates and pricing.

2011 delivery rates

We'll implement our 2011 delivery rates on January 1, 2011. More information on this rate increase will be included in your bill this fall.

Helping you manage your electricity use

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In 2009, we paid \$188 million in dividends to the province and \$77 million in payments in lieu of corporate income taxes, including capital taxes, to the Ontario Electricity Financial Corporation.

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Our delivery rates underwent a rigorous regulatory review

This included a public hearing by the OEB. Public participation helps ensure the OEB makes an informed decision on our delivery rates.

In its Decision, the OEB has reduced some of our proposed spending. This reduction will result in lower Delivery rates than were originally requested.

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How much will my bill increase?

The amount your bill will increase depends on your service type and the amount of electricity you use. An average customer will see the following increase on his or her bill.

Service Type	Electricity Used Monthly	Average increase on Delivery <u>line</u> of bill	Average % increase on Delivery <u>line</u> of bill	<u>Average % increase on Total bill</u>
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Residential – High Density	1,000 kWh	\$5.66	9.5%	<u>4.0%</u>
Residential – Normal Density	1,000 kWh	\$6.34	6.7%	<u>3.6%</u>

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Seasonal – High Density	500 kWh	\$8.91	16.3%	<u>9.6%</u>
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Other components on the bill are also changing. These include:

- Electricity: Most customers pay the two-tier Regulated Price Plan (RPP) for electricity, which make up about half of your total bill. The OEB adjusts RPP prices every spring and every fall. As of May 1, 2010, the OEB has increased RPP prices, which is expected to add approximately 8% to the total bill.
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- Special Purpose Charge: The provincial government is introducing this charge to pay for conservation and renewable energy programs. It will appear under Regulatory Charges on your bill and it will add about \$4 a year to your electricity bill. You'll pay this charge for one year starting on May 1, 2010.

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Hydro One Networks is responsible for delivering electricity to your home or business. Some of these charges are fixed and don't change from month to month. The rest are variable and depend on how much electricity you use. ¶
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Where to look on your bill

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Go to our website at www.HydroOne.com to choose your customer type to see your rates and pricing.

2011 ~~delivery~~ rates

We'll implement our 2011 ~~delivery~~ rates on January 1, 2011. More information on this rate increase will be included in your bill this fall.

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Helping you manage your electricity use

We have a number of conservation programs for your home or business that can help you save electricity. Our online energy audit tool – PowerSaverPlus – will give you a detailed or snapshot analysis customized for your home or business. For a complete listing of our programs, visit www.PowerSaver.ca or call us at 1-888-664-9376.

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For power outages and emergencies 1-800-434-1235
24 hours a day, 7 days a week

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You can also download our series of PowerSaver brochures. These brochures provide practical energy efficiency tips for any budget.¶

¶

We also offer a budget billing plan (or equal billing) to most customers. Since payments are spread out over the year, being on the plan is a good way to moderate payment fluctuations. Create an online account at www.HydroOne.com or call us at 1-888-664-9376. If it is your first visit to *My Account*, you'll need your account number, found on your bill, to get started.¶

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Hydro One applied to the Ontario Energy Board (OEB) for a delivery rate increase for 2010 and 2011

The OEB has approved new delivery rates for Hydro One customers. The delivery rate increase for 2010 will vary depending on where you live. As a percentage of your total bill, the increase in the monthly delivery charge will be less than 10% for the average customer.

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A delivery rate increase is necessary to maintain a reliable electricity distribution system

Our first priority is to deliver electricity to our customers safely, reliably and efficiently. This increase is needed to:

- Consolidate or harmonize the rates in your community with other communities served by Hydro One. This harmonization increase is the third step of the four-year harmonization plan that was approved by the OEB in December 2008. Once completed, your delivery rates will be on par with other communities we serve.
- Replace and maintain equipment nearing its end of life or damaged by storms.
- Build or upgrade our facilities to keep up with customer growth and ensure reliability of the distribution system.
- Fund smart meter installations.
- Connect renewable generation projects (such as wind, solar, hydro, biomass and biogas) to our distribution facilities as part of the government's *Green Energy and Green Economy Act*.
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This included a public hearing by the OEB.

Public participation helps ensure the OEB makes an informed decision on our delivery rates.

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How much will my bill increase?

The amount your bill will increase depends on your service type, where you live and the amount of electricity you use.

The delivery rate increase for 2010 will add \$5.34 per month or 9.6%, to the Delivery line on the bill for an average residential customer using 1,000 kWh a month. This translates to an increase of 3.9% on the total bill. For an average general service customer using 2,000 kWh a month, the delivery rate increase for 2010 will add \$14.48 per month or 14.7% to the Delivery line on the bill. This translates to an increase of 5.4% on the total bill.

To see how this increase will affect your bill, go to www.HydroOne.com/2010Rates or call us at 1-866-543-8031. Check your community name listed under Your service type on page two of your bill. The Delivery line on your bill will reflect this increase, which includes increases in both distribution and transmission charges. Your first bill issued after May 19, 2010, will reflect these changes.

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Where to look on your bill

Here's an overview of the charges on your bill.

Difference	\$36.38
Metered usage in kilowatt-hours (1,000 x 1.085)	\$64.27
Adjusted usage in kilowatt-hours	\$7.71
1 Electricity: 600 kWh @ 6.5000 ¢ 485 kWh @ 7.5000 ¢	\$7.00
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5 Total of your electricity charges	\$162.08

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Mixed Sources
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Hydro One applied to the Ontario Energy Board (OEB) for a Delivery rate increase for 2010 and 2011.

The OEB has approved new Delivery rates for Hydro One customers. The delivery rate increase for 2010 will vary depending on where you live. As a percentage of your total bill, the increase in the monthly delivery charge will be less than 10% for the average customer.

The Delivery line of the bill makes up about 40% of the total bill and pays for bringing electricity to your home or business from the point of generation, across our transmission and distribution system. 2010 Delivery rates apply to consumption starting May 1, 2010.

A delivery rate increase is necessary to maintain a reliable electricity distribution system

Our first priority is to deliver electricity to our customers safely, reliably and efficiently. This increase is needed to:

- Consolidate or harmonize the rates in your community with other communities served by Hydro One. This harmonization increase is the third step of the four-year harmonization plan that was approved by the OEB in December 2008. Once completed, your delivery rates will be on par with other communities we serve.
- Replace and maintain equipment nearing its end of life or damaged by storms.
- Build or upgrade our facilities to keep up with customer growth and ensure reliability of the distribution system.
- Fund smart meter installations.
- Connect renewable generation projects (such as wind, solar, hydro, biomass and biogas) to our distribution facilities as part of the government's *Green Energy and Green Economy Act*.
- Pay for a higher cost of capital, capital costs for physical infrastructure and systems, and compensation.

Hydro One is wholly owned by the Province of Ontario. In 2009, we paid \$188 million in dividends to the Province and \$77 million in payments in lieu of corporate income taxes, including capital taxes, to the Ontario Electricity Financial Corporation.

Our delivery rates underwent a rigorous regulatory review

This included a public hearing by the OEB. Public participation helps ensure the OEB makes an informed decision on our delivery rates.

In its Decision, the OEB has reduced some of our proposed 2010 spending. This reduction will result in lower delivery rates than were originally requested.

How much will my bill increase?

The amount your bill will increase depends on your service type, where you live and the amount of electricity you use.

The delivery rate increase for 2010 will add \$5.34 per month or 9.6%, to the Delivery line on the bill for an average residential customer using 1,000 kWh a month. This translates to an increase of 3.9% on the total bill. For an average general service customer using 2,000 kWh a month, the delivery rate increase for 2010 will add \$14.48 per month or 14.7% to the Delivery line on the bill. This translates to an increase of 5.4% on the total bill.

To see how this increase will affect your bill, go to www.HydroOne.com/2010Rates or call us at 1-866-543-8031. Check your community name listed under *Your service type* on page two of your bill.

The Delivery line on your bill will reflect this delivery rate increase, which includes increases in both distribution and transmission charges. Your first bill issued after May 19, 2010, will reflect these changes.

Are there any other changes to my bill?

Other components on the bill are also changing. These include:

- **Electricity:** Most customers pay the two-tier Regulated Price Plan (RPP) for electricity, which make up about half of your total bill. The OEB adjusts RPP prices every spring and every fall. As of May 1, 2010, the OEB has increased RPP prices, which is expected to add approximately 8% to the total bill.
- **Time-of-Use (TOU) prices:** As part of the provincial government's plan to promote a culture of energy conservation in the province, Hydro One is introducing TOU electricity prices for most customers. TOU prices will impact your bill. Your bill may be higher or lower depending on your ability to shift your usage to off-peak periods. Hydro One will notify customers 30 days in advance of the switch to TOU prices.
- **Harmonized Sales Tax (HST):** A 13% HST will replace the 5% GST in Ontario on July 1, 2010. HST will be charged on bills for electricity consumed after June 30, 2010.
- **Special Purpose Charge:** The provincial government is introducing this charge to pay for conservation and renewable energy programs. It will appear under Regulatory Charges on your bill and it will add about \$4 a year to your electricity bill. You'll pay this charge for one year starting on May 1, 2010.

Where to look on your bill

Here's an overview of the charges on your bill.

1) Electricity

This is how much electricity was delivered across our system from generating facilities to your home or business for your use. It shows your usage in kWh and the cost per kWh. RPP electricity prices are set by the OEB. We pay the money collected to the companies that generate electricity (such as Ontario Power Generation and Bruce Power) and pass this cost on to you with no mark-up or profit. If you have signed up with a retailer, you pay the price in your contract and the Provincial Benefit Charge.

2) Delivery

Hydro One Networks is responsible for delivering electricity to your home or business. Some of these charges are fixed and don't change from month to month. The rest are variable and depend on how much electricity you use.

3) Regulatory Charges

Regulatory charges are the costs of administering the wholesale electricity system and maintaining the reliability of the provincial grid and include the costs associated with funding Ministry of Energy and Infrastructure conservation and renewable energy programs.

4) Debt Retirement Charge

The money collected goes to the provincial government to pay down the stranded debt of the former Ontario Hydro. The Ontario Electricity Financial Corporation estimates the debt will be retired between 2014-18.

5) GST/HST

GST collected goes to the federal government. The HST will be charged on electricity consumed in Ontario after June 30, 2010. The provincial portion of the HST will be 8% and the federal portion will be 5%.

Go to our website at www.HydroOne.com to choose your customer type to check your rates and pricing.

2011 delivery rates

We'll implement our 2011 delivery rates on January 1, 2011. More information on this rate increase will be included in your bill this fall.

Helping you manage your electricity use

We have a number of conservation programs for your home or business that can help you save electricity. Our online energy audit tool – PowerSaverPlus – will give you a detailed or snapshot analysis customized for your home or business. For a complete listing of our programs, visit www.PowerSaver.ca or call us at 1-888-664-9376.

How to reach us

web: www.HydroOne.com

call: Customer Communications Centre 1-866-543-8031
Monday to Friday, 7:30 a.m. to 8 p.m. ET

For power outages and emergencies 1-800-434-1235
24 hours a day, 7 days a week

Delivery Rates are Increasing (Acquired version)

Hydro One applied to the Ontario Energy Board (OEB) for a Delivery rate increase for 2010 and 2011.

The OEB has approved new Delivery rates for Hydro One customers. **The delivery rate increase for 2010 will vary depending on where you live. As a percentage of your total bill, the increase in the monthly delivery charge will be less than 10% for the average customer.**

The Delivery line of the bill makes up about 40% of the total bill and pays for bringing electricity to your home or business from the point of generation, across our transmission and distribution system. 2010 Delivery rates apply to consumption starting May 1, 2010.

A delivery rate increase is necessary to maintain a reliable electricity distribution system

Our first priority is to deliver electricity to our customers safely, reliably and efficiently. This increase is needed to:

- Consolidate or harmonize the rates in your community with other communities served by Hydro One. **This harmonization increase is** the third step of the four-year harmonization plan that was approved by the OEB in December 2008. **Once** completed, your **delivery** rates will be on par with other communities **we** serve.
- Replace and maintain equipment nearing its end of life or damaged by storms.
- Build or upgrade our facilities to keep up with customer growth and ensure reliability of the distribution system.
- Fund smart meter installations.
- Connect renewable generation projects (such as wind, solar, hydro, biomass and biogas) to our distribution facilities as part of the government's *Green Energy and Green Economy Act*.
- Pay for a higher cost of capital, capital costs for physical infrastructure and systems, and compensation.

Hydro One is wholly owned by the Province of Ontario. In 2009, we paid \$188 million in dividends to the **Province** and \$77 million in payments in lieu of corporate income taxes, including capital taxes, to the Ontario Electricity Financial Corporation.

Our delivery rates underwent a rigorous regulatory review

This included a public hearing by the OEB. Public participation helps ensure the OEB makes an informed decision on our delivery rates.

In its Decision, the OEB has reduced **some of our proposed** 2010 **spending**. This reduction will result in lower **delivery** rates than **were** originally requested.

How much will my bill increase?

The amount your bill will increase depends on your service type, **where you live** and the amount of electricity you use.

The delivery rate increase for 2010 will add \$5.34 per month or 9.6% to the Delivery line on the bill for an average residential customer using 1,000 kWh a month. This translates to an increase of 3.9% on the total bill. For an average general service customer using 2,000 kWh a month, the delivery rate increase for 2010 will add \$14.48 per month or 14.7% to the Delivery line on the bill. This translates to an increase of 5.4% on the total bill.

Deleted: The Delivery rate increase for 2010 will add less than **10 per cent** per month on the total bill for most customers based on average consumption.¶

Deleted: The amount your bill will increase depends on how much electricity you use, **where you live** and your service type.

Deleted: We're increasing your rates for

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To see how this increase will affect your bill, go to www.HydroOne.com/2010Rates or call us at 1-866-543-8031. Check your community name listed under *Your service type* on page two of your bill.

The Delivery line on your bill will reflect this delivery rate increase, which includes increases in both distribution and transmission charges. Your first bill issued after May 19, 2010, will reflect these changes.

Deleted: An average residential customer who uses 1,000 kWh a month will see an increase of \$5.34 on the Delivery portion of the bill.

Field Code Changed

Are there any other changes to my bill?

Other components on the bill are also changing. These include:

- Electricity: Most customers pay the two-tier Regulated Price Plan (RPP) for electricity, which make up about half of your total bill. The OEB adjusts RPP prices every spring and every fall. As of May 1, 2010, the OEB has increased RPP prices, which is expected to add approximately 8% to the total bill.
- Time-of-Use (TOU) prices: As part of the provincial government's plan to promote a culture of energy conservation in the province, Hydro One is introducing TOU electricity prices for most customers. TOU prices will impact your bill. Your bill may be higher or lower depending on your ability to shift your usage to off-peak periods. Hydro One will notify customers 30 days in advance of the switch to TOU prices.
- Harmonized Sales Tax (HST): A 13% HST will replace the 5% GST in Ontario on July 1, 2010. HST will be charged on bills for electricity consumed after June 30, 2010.
- Special Purpose Charge: The provincial government is introducing this charge to pay for conservation and renewable energy programs. It will appear under Regulatory Charges on your bill and it will add about \$4 a year to your electricity bill. You'll pay this charge for one year starting on May 1, 2010.

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Deleted: has increased to 6.5 cents per kWh (from 5.8 cents) up to a certain threshold and to 7.5 cents per kWh (from 6.7 cents) above that threshold. Customers who purchase their electricity on the spot market or who are retailer-enrolled pay the Provincial Benefit Charge.¶

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Where to look on your bill

Here's an overview of the charges on your bill.

1) Electricity

This is how much electricity was delivered across our system from generating facilities to your home or business for your use. It shows your usage in kWh and the cost per kWh. RPP electricity prices are set by the OEB. We pay the money collected to the companies that generate electricity (such as Ontario Power Generation and Bruce Power) and pass this cost on to you with no mark-up or profit. If you have signed up with a retailer, you pay the price in your contract and the Provincial Benefit Charge.

Deleted: <#>Retail Transmission Rates: These rates are increasing as of May 1, 2010 to account for the higher costs to transmit electricity. The new rates are approved by the OEB and are included in the Delivery line on your bill.¶

Deleted: Our costs are included under the Delivery line on your bill. We bill the other line items on behalf of generators, the Independent Electricity System Operator and the federal and provincial governments.¶

2) Delivery

Hydro One Networks is responsible for delivering electricity to your home or business. Some of these charges are fixed and don't change from month to month. The rest are variable and depend on how much electricity you use.

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3) Regulatory Charges

Regulatory charges are the costs of administering the wholesale electricity system and maintaining the reliability of the provincial grid and include the costs associated with funding Ministry of Energy and Infrastructure conservation and renewable energy programs.

Deleted: The money collected goes to the Independent Electricity System Operator.

4) Debt Retirement Charge

The money collected goes to the provincial government to pay down the stranded debt of the former Ontario Hydro. The Ontario Electricity Financial Corporation estimates the debt will be retired between 2014-18.

5) GST/HST

GST collected goes to the federal government. The HST will be charged on electricity consumed in Ontario after June 30, 2010. The provincial portion of the HST will be ~~8%~~ and the federal portion will be ~~5%~~.

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Go to our website at www.HydroOne.com to choose your customer type to check your rates and pricing.

2011 ~~delivery~~ rates

We'll implement our 2011 ~~delivery~~ rates on January 1, 2011. More information on this rate increase will be included in your bill this fall.

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Helping you manage your electricity use

We have a number of conservation programs for your home or business that can help you save electricity. Our online energy audit tool – PowerSaverPlus – will give you a detailed or snapshot analysis customized for your home or business. For a complete listing of our programs, visit www.PowerSaver.ca or call us at 1-888-664-9376.

How to reach us

web: www.HydroOne.com

call: **Customer Communications Centre 1-866-543-8031**
Monday to Friday, 7:30 a.m. to 8 p.m. ET

For power outages and emergencies 1-800-434-1235
24 hours a day, 7 days a week

Deleted: You can also download our series of PowerSaver brochures. These brochures provide practical energy efficiency tips for any budget.¶

¶ We also offer a budget billing plan (or equal billing) to most customers. Since payments are spread out over the year, being on the plan is a good way to moderate payment fluctuations. Create an online account at www.HydroOne.com or call us at 1-888-664-9376. If it is your first visit to *My Account*, you'll need your account number, found on your bill, to get started.¶