

UNDERTAKING

Undertaking

TO PROVIDE ORIGINAL BUDGETS SET FOR PROGRAMS FOR WHICH HYDRO ONE HAS PROVIDED BUDGET RESULTS IN ITS ANNUAL REPORTS.

Response

The table below is consistent with the existing evidence in EB-2010-0332, Exhibit I, Tab 9, Schedule 7 (page 5 of Attachment 1 and page 5 of Attachment 4). This table shows the original three-year projected budget compared with the actual spending at the end of the program.

Market Adjusted Revenue Requirement ("MARR") Funding Variance between Budget and Spending			
PROGRAM	ORIGINAL 3- YEAR BUDGET (2005) (\$K)	REALLOCATED 3-YEAR BUDGET (\$K)* (2005-2008)	ACTUAL SPENDING TO DEC 2008 (\$K)
Residential			
Smart Meters	7,800	7,800	7,800
Real Time Monitoring Pilot	425	470	466
Real Time Monitoring Program	1,400	5,085	5,082
Mass Market Coupon Initiative	1,500	2,465	2,467
LED	430	430	432
Low Income/Social Housing	5,000	3,200	3,167
Load Control Pilot	1,220	710	710
Load Control Program	3,500	4,660	4,536
Energy Audits/Analysis	230	215	213
Total	21,505	25,035	24,873
Commercial/Industrial, Farm, MUSH			
Interim Time of Use	475	1,130	1,145
C/I MUSH Conservation	600	1,040	1,015
C/I & Farm Load Control	3,500	2,390	2,339
Farm Energy Efficiency	750	510	458
Total	5,325	5,070	4,957
Common			
Distribution Loss Reduction	8,000	6,175	6,552
Program Management and Research	3,700	2,500	2,425
Communication and Education	1,000	765	749
Carrying Charge			25
Total	12,700	9,440	9,751
Grand Total	39,530	39,545	39,581

* The Reallocated 3-Year Budget reflects adjustments for:

- 1 a) reduced expenditures in Distribution Loss Reduction based on the results of detail
- 2 technical studies,
- 3 b) higher/lower than expected program uptake (e.g. Real Time Monitoring Program),
- 4 and
- 5 c) Higher than expected process efficiencies (reduced costs in Program Management
- 6 and Research).
- 7