

**Hydro One Brampton Networks Inc.**

175 Sandalwood Pkwy West  
Brampton, Ontario L7A 1E8  
Tel: (905) 840-6300  
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January 15, 2008

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor, 2300 Yonge Street  
Toronto ON M4P 1E4

Dear Ms. Walli,

**Re: Hydro One Brampton Networks Inc. Issuance of Addendum for Retail Transmission Rates to the 2008 Distribution Rate Adjustments**

On October 29, 2007, the Ontario Energy Board (“the Board”) directed “each distributor to propose an adjustment to their retail transmission rates and disposition of the associated variance account balances in its 2008 Cost of Service or Incentive Rate Mechanism application, as applicable”.

As directed by the Board’s email dated October 29, 2007, Brampton Networks Inc. (“Hydro One Brampton”) has prepared an addendum to its Retail Transmission Rates associated with the 2008 Distribution Rate Application that was filed with the Board on November 1<sup>st</sup>, 2007.

Please find attached to this letter:

- Two (2) paper copies of the Manager’s Summary and all the supporting documentation for Hydro One Brampton’s 2008 Distributor Retail Transmission Rate Application that also include a print screen of the online confirmation holding the RESS submission reference number for Hydro One Brampton’s Issuance of Addendum for Retail Transmission Rates to the 2008 Distribution Rate Adjustments

We would be pleased to provide any additional information that the Board requires in the processing of these documents. If additional information is required, please contact the undersigned.

Sincerely,

*Original Signed By*

Scott Miller  
Regulatory Affairs Manager  
Hydro One Brampton Networks Inc.  
[smiller@HydroOneBrampton.com](mailto:smiller@HydroOneBrampton.com)  
(905) 452-5504

Roger A. Albert, President & CEO, Hydro One Brampton Networks Inc.  
Jamie Gribbon, Vice-President of Finance & Administration, Hydro One Brampton Networks Inc.

Encl.

**Hydro One Brampton Networks Inc.**  
**Issuance of Addendum for Retail Transmission Rates**  
**to the 2008 Distribution Rate Adjustments**

**ED-2003-0038**

**EB-2007-0759/EB-2007-0882**

**Summary of Application**

**January 15<sup>th</sup>, 2008**

1 On November 1<sup>st</sup>, 2007 Hydro One Brampton Networks Inc. (Hydro One  
2 Brampton) filed with the Ontario Energy Board (the "Board"), pursuant to section  
3 78 of the Ontario Energy Board Act, 1998, for an Order or Orders approving the  
4 revenue requirement and customer rates for the distribution of electricity, to be  
5 implemented on May 1, 2008.

6

7 On October 17, 2007 the Board issued its EB-2007-0759 rate order, setting new  
8 Uniform Transmission Rates for Ontario transmitters, effective November 1, 2007  
9 to December 31, 2008.

10

11 On October 29, 2007, the Board directed "each distributor to propose an  
12 adjustment to their retail transmission rates and disposition of the associated  
13 variance account balances in its 2008 Cost of Service or Incentive Rate  
14 Mechanism application, as applicable".

15

16 As directed by the Board's email dated October 29, 2007, Hydro One Brampton  
17 is proposing adjustments to its currently approved distributor retail transmission  
18 service rates. These adjustments will impact Hydro One Brampton's current  
19 retail Network Service Rates and Line and Transformation Connection Service  
20 Rates be reduced to 81.6% and 93.3% of the currently approved rates,  
21 respectively.

22

23 Hydro One Brampton has based its calculated changes to its retail transmission  
24 rates in proportion to the changes to the Ontario Uniform Transmission Rates as  
25 issued in rate order EB-2007-0759. Please note that these proposed rates do not  
26 reflect any disposition of associated variance account balances.

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1     ***Network Service Rates***

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3     Hydro One Brampton's current Ontario Energy Board approved Retail  
 4     Transmission Network Rates will change in the same proportions as the new  
 5     Ontario Uniform Transmission Rates changed from the previous rates.

6

7     Hydro One Brampton's current retail Network Service Rates are based on the  
 8     previous rate of \$2.83 per kW. As per the above noted rate order, this rate will  
 9     change to \$2.31 per kW. This change of rate will impact Hydro One  
 10    Brampton's current retail Network Service Rates for all customer classes to be  
 11    reduced to 81.6% of the currently approved rates. Refer to the Table 1 below  
 12    for a summary of rate impacts.

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**TABLE 1: RATE IMPACTS**

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**NETWORK SERVICE RATES**

	<b><i>Volumetric Unit</i></b>	<b><i>Current Rate</i></b>	<b><i>Change Factor</i></b>	<b><i>New Rate</i></b>
RESIDENTIAL	\$/kWh	0.0059	0.816	0.0048
GS<50 kW	\$/kWh	0.0053	0.816	0.0043
GS 50 to 699 kW	\$/kW	2.0303	0.816	1.6572
GS 700 to 4999 kW	\$/kW	2.2770	0.816	1.8586
LARGE USE	\$/kW	2.5770	0.816	2.1035
UNMETERED SCATTERED LOAD	\$/kWh	0.0053	0.816	0.0043
SENTINEL LIGHTING	\$/kW	1.6926	0.816	1.3816
STREET LIGHTING	\$/kW	1.6904	0.816	1.3798

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19     ***Line & Transformation Connection Service Rates***

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21     Hydro One Brampton's current Line and Connection Rates are comprised of  
 22     both Line Connection Service Rates and Transformation Connection Service  
 23     Rates.

1        ***Line Connection Service Rates***

2

3        As with Hydro One Brampton's Network Service Rates, the Line Connection  
4        Service Rate portion of the Line Connection and Transformation Connection  
5        Service Rates will change in the same proportion as the ratio of the old Line  
6        Connection Rates to the new Line Connection Rates.

7

8        Hydro One Brampton's current retail Line Connection Service Rates are based  
9        on the previous rate of \$0.82 per kW. As per the above noted rate order, this  
10       rate will change to \$0.59 per kW. This change of rate will impact Hydro One  
11       Brampton's current Line Connection Service Rate portion of the Line  
12       Connection and Transformation Connection Service Rates to be reduced in the  
13       same proportion.

14

15       ***Transformation Connection Service Rates***

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17       Hydro One Brampton is currently supplied by four (4) transformer stations.  
18       Hydro One Brampton owns one of these stations, Jim Yarrow TS.

19

20       Assets associated with Jim Yarrow TS are currently included in Hydro One  
21       Brampton's rate base and thus, it is included in Hydro One Brampton's revenue  
22       requirement. As a result, Hydro One Brampton's customers are not subject to  
23       Transformation Connection Service Charges associated with the power  
24       supplied from this station. Therefore Transformation Connection Service Rates  
25       only apply to the power delivered by non-Hydro One Brampton stations.

26

27       Since not all of the power consumed by Hydro One Brampton's customers is  
28       subject to Transformation Connection Service Rate charges, this application  
29       will apply the same adjustment factor as provided in the Board EB-2007-0759  
30       rate order associated with the change in Transmission Connection rates to the

1 retail Transmission rates associated with the power delivered via non-Hydro  
 2 One Brampton transformer stations.

3  
 4 As mentioned above, Hydro One Brampton's retail Line Connection and  
 5 Transformation Connection Service Rates are comprised of both Line  
 6 Connection Service Rates and Line Transformation Connection Service Rates.  
 7 Therefore the overall adjustment factor to Hydro One Brampton's retail Line  
 8 Connection and Transformation Connection Service Rates will be in direct  
 9 proportion to the rate changes associated within the Board's EB-2007-0759 rate  
 10 order and will be the product of the weighted average components of the Line  
 11 Connection Service Rates and the Transformer Connection Service Rates  
 12 associated with the non-Hydro One Brampton transformer stations.

13  
 14 Based upon the historical consumption patterns and the respective costs  
 15 associated with Line Connection and Transformation Connection Service  
 16 charges, it is expected that Hydro One Brampton's current retail Line  
 17 Connection and Transformation Connection Service Rates for all customer  
 18 classes will be reduced to 93.3% of the currently approved rates. Refer to Table  
 19 2 below for a summary of rate impacts.

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**TABLE 2: RATE IMPACTS**

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**LINE & TRANSFORMATION CONNECTION SERVICE RATES**

	<i><b>Volumetric Unit</b></i>	<i><b>Current Rate</b></i>	<i><b>Change Factor</b></i>	<i><b>New Rate</b></i>
RESIDENTIAL	\$/kWh	0.0048	0.933	0.0045
GS<50 kW	\$/kWh	0.0043	0.933	0.0040
GS 50 to 699 kW	\$/kW	1.6301	0.933	1.5208
GS 700 to 4999 kW	\$/kW	1.7523	0.933	1.6349
LARGE USE	\$/kW	2.0254	0.933	1.8896
UNMETERED SCATTERED LOAD	\$/kWh	0.0043	0.933	0.0040
SENTINEL LIGHTING	\$/kW	1.3588	0.933	1.2677
STREET LIGHTING	\$/kW	1.3571	0.933	1.2661

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1 **Schedule of Rates**

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3 Hydro One Brampton is requesting that the Board approve the proposed retail  
 4 Network Service and Line and Transformation Connection Service Rates as  
 5 identified in Table 3 below.

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7 **TABLE 3: SCHEDULE OF NEW DISTRIBUTOR RETAIL TRANSMISSION RATES**

	<b>Volumetric Unit</b>	<b>Current Rate</b>	<b>Change Factor</b>	<b>New Rate</b>
RESIDENTIAL				
Network	\$/kWh	0.0059	0.816	0.0048
Line & Transformation	\$/kWh	0.0048	0.933	0.0045
GS<50 kW				
Network	\$/kWh	0.0053	0.816	0.0043
Line & Transformation	\$/kWh	0.0043	0.933	0.0040
GS 50 to 699 kW				
Network	\$/kW	2.0303	0.816	1.6572
Line & Transformation	\$/kW	1.6301	0.933	1.5208
GS 700 to 4999 kW				
Network	\$/kW	2.2770	0.816	1.8586
Line & Transformation	\$/kW	1.7523	0.933	1.6349
LARGE USE				
Network	\$/kW	2.5770	0.816	2.1035
Line & Transformation	\$/kW	2.0254	0.933	1.8896
UNMETERED SCATTERED LOAD				
Network	\$/kWh	0.0053	0.816	0.0043
Line & Transformation	\$/kWh	0.0043	0.933	0.0040

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**TABLE 3: SCHEDULE OF NEW DISTRIBUTOR RETAIL TRANSMISSION RATES**

**CONTINUED...**

	<b><i>Volumetric Unit</i></b>	<b><i>Current Rate</i></b>	<b><i>Change Factor</i></b>	<b><i>New Rate</i></b>
SENTINEL LIGHTING				
Network	\$/kW	1.6926	0.816	1.3816
Line & Transformation	\$/kW	1.3588	0.933	1.2677
STREET LIGHTING				
Network	\$/kW	1.6904	0.816	1.3798
Line & Transformation	\$/kW	1.3571	0.933	1.2661

**Contact Information**

Scott Miller, Manager of Regulatory Affairs

Hydro One Brampton Networks Inc.

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F (905) 840-0967

smiller@hydroonebrampton.com

DATED at Brampton, Ontario, this *15th* day of *January, 2008*

HYDRO ONE BRAMPTON NETWORKS INC.

*Original Signed By*

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Scott Miller, Manager of Regulatory Affairs

**IESO NETWORK, LINE AND TRANSFORMATION SERVICE CHARGES JANUARY 2006 TO NOVEMBER 2007**

Month	IESO Physical	NETWORK		CONNECTION					
		IESO Inv. Line 650	kW	IESO Inv. Line 651	IESO Inv. Line 652	Combined Total	kW - LC 651	kW - TC 652	Combined kW's
Jan-06	Dec-05	\$ 1,643,381.00	580,700	\$ 492,242.72	\$ 733,440.00	\$ 1,225,682.72	600,296	488,960	1,089,256
Feb-06	Jan-06	\$ 1,545,213.96	546,012	\$ 473,967.38	\$ 705,390.00	\$ 1,179,357.38	578,009	470,260	1,048,269
Mar-06	Feb-06	\$ 1,522,808.85	538,095	\$ 464,802.24	\$ 689,820.00	\$ 1,154,622.24	566,832	459,880	1,026,712
Apr-06	Mar-06	\$ 1,519,947.72	537,084	\$ 459,779.74	\$ 696,679.50	\$ 1,156,459.24	560,707	464,453	1,025,160
May-06	Apr-06	\$ 1,419,462.91	501,557	\$ 432,543.44	\$ 678,471.00	\$ 1,111,014.44	527,492	452,314	979,806
Jun-06	May-06	\$ 2,022,182.16	714,552	\$ 599,242.06	\$ 932,038.50	\$ 1,531,280.56	730,783	621,359	1,352,142
Jul-06	Jun-06	\$ 1,869,679.12	660,664	\$ 562,073.92	\$ 881,331.00	\$ 1,443,404.92	685,456	587,554	1,273,010
Aug-06	Jul-06	\$ 2,010,066.93	710,271	\$ 629,331.14	\$ 961,828.50	\$ 1,591,159.64	767,477	641,219	1,408,696
Sep-06	Aug-06	\$ 2,174,727.65	768,455	\$ 650,693.78	\$ 967,137.00	\$ 1,617,830.78	793,529	644,758	1,438,287
Oct-06	Sep-06	\$ 1,493,453.26	527,772	\$ 458,631.74	\$ 701,061.00	\$ 1,159,692.74	559,307	467,374	1,026,681
Nov-06	Oct-06	\$ 1,467,700.26	518,622	\$ 448,326.80	\$ 690,277.50	\$ 1,138,604.30	546,740	460,185	1,006,925
Dec-06	Nov-06	\$ 1,556,335.67	549,949	\$ 481,057.92	\$ 739,852.50	\$ 1,220,910.42	586,656	493,235	1,079,891
		\$ 20,244,959.49	7,153,733	\$ 6,152,692.88	\$ 9,377,326.50	\$ 15,530,019.38	7,503,284	6,251,551	13,754,835
Jan-07	Dec-06	\$ 1,599,295.26	565,122	\$ 479,676.22	\$ 734,193.00	\$ 1,213,869.22	584,971	489,462	1,074,433
Feb-07	Jan-07	\$ 1,651,633.28	583,616	\$ 514,317.94	\$ 798,682.50	\$ 1,313,000.44	633,456	538,694	1,172,150
Mar-07	Feb-07	\$ 1,674,794.00	591,800	\$ 508,299.96	\$ 781,609.50	\$ 1,289,909.46	613,639	514,834	1,128,473
Apr-07	Mar-07	\$ 1,680,462.49	593,803	\$ 538,189.78	\$ 798,214.50	\$ 1,336,404.28	656,329	532,143	1,188,472
May-07	Apr-07	\$ 1,445,863.98	510,906	\$ 460,904.78	\$ 696,627.00	\$ 1,157,531.78	562,079	464,418	1,026,497
Jun-07	May-07	\$ 1,694,510.61	598,767	\$ 514,831.26	\$ 778,102.50	\$ 1,292,933.76	627,843	518,735	1,146,578
Jul-07	Jun-07	\$ 2,130,627.76	752,872	\$ 627,616.52	\$ 935,907.00	\$ 1,563,523.52	765,386	623,938	1,389,324
Aug-07	Jul-07	\$ 1,937,638.74	684,678	\$ 611,306.72	\$ 913,282.50	\$ 1,524,589.22	745,496	608,855	1,354,351
Sep-07	Aug-07	\$ 2,086,958.03	737,441	\$ 625,028.60	\$ 945,060.00	\$ 1,570,088.60	762,230	630,040	1,392,270
Oct-07	Sep-07	\$ 1,931,574.05	682,535	\$ 574,790.48	\$ 886,020.00	\$ 1,460,810.48	700,964	590,680	1,291,644
Nov-07	Oct-07	\$ 1,441,064.30	509,210	\$ 473,645.12	\$ 728,748.00	\$ 1,202,393.12	577,616	485,832	1,063,448
		\$ 19,274,422.50	6,810,750	\$ 5,928,607.38	\$ 8,996,446.50	\$ 14,925,053.88	7,230,009	5,997,631	13,227,640

