HALTON HILLS HYDRO INC.
ED-2002-0552 / EB-2007-0536

MANAGER'S SUMMARY
2007 ELECTRICITY DISTRIBUTION RATE ADJUSTMENT
SMART METER ADDENDUM

FEBRUARY 9th, 2007

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Manager's Summary – Smart Meter Addendum

Halton Hills Hydro filed its SMIP (Smart Meter Investment Plan) on December 15th, 2006. Our plan indicates that an RFP was issued with responses due from vendors on January 20th, 2007. However, since that time many vendors have asked for an extension of the filing deadline. Halton Hills Hydro accommodated their request with a new filing deadline of February 15th, 2007. Therefore, the costs submitted in this application are best estimates of what the actual costs may be.

SMART METER UNIT COST

Smart Meter Unit Costs $111.68
         This is an estimate from an Elster Energy Axis price list. It includes meter cost of $108.43 plus $3.26 as an estimate of replacement meter bases.

Smart Meter Other Cost $ 18.25
         This is an estimate from an Elster Energy Axis price list. It includes the collector cost of $912.57/50 meters.

Smart Meter Installation Cost per Unit - $10.00
         This is an estimate from a company currently installing smart meters.

Smart Meter Other Cost per Unit - $5.20
         This is an estimate for the installation of the collector. $260.00/50 meters.

AMI CAPITAL COST

AMI Computer Hardware Costs
         This cost represents the addition of a new AS400 for smart metering purposes.

AMI Computer Software Costs
         This cost represents:
         1.   Software for the AMI Hardware - $13,600
         2.   Estimated programming costs for HTE (CIS system) data integration - $100,000 (25 weeks)
         3.   Estimated programming costs for MDMR integration - $100,000 (25 weeks)

OTHER CAPITAL COST

Other Computer Hardware Costs
This cost represents the addition of a new control server.

Other Computer Software Costs
This cost represents the programming required for web presentment.

INCREMENTAL AMI OPERATIONAL EXPENSES

Incremental AMI O&M Expenses
This cost represents the communication costs and the Hardware/Software Maintenance costs of the new computer listed above.

Incremental AMI Admin Expenses
It is anticipated that an additional staff member will be required in order to provide the necessary administration to ensure completeness and accuracy of data.

INCREMENTAL OTHER OPERATIONAL EXPENSES

Incremental Other O&M Expenses
This is an estimate of miscellaneous costs yet to be identified.

Incremental Other Admin Expenses
This is an estimate of miscellaneous costs yet to be identified.

Respectfully submitted:

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Daniel F. Guatto   Arthur A. Skidmore
President   Chief Financial Officer