

August 14, 2012

**Delivered by RESS and Courier**

Ms. K. Walli, Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: 2013 Electricity Distribution Rates Application (EB-2012-0132)

On August 2, 2012, Horizon Utilities Corporation ("Horizon Utilities") filed its 2013 Electricity Distribution Rate ("EDR") IRM Application (EB-2012-0132) with the Ontario Energy Board ("OEB" or the "Board"). The application was filed in accordance with the Board's *Chapter 3 Filing Requirements for Transmission and Distribution Applications*.

In the application as filed, Horizon Utilities had noted that the Board issued its *Guideline on Retail Transmission Service Rates* (G-2008-0001, the "Guideline on RTSRs") on June 28, 2012.

In the Guideline on RTSRs, the OEB advised distributors to adjust the RTSRs based on a comparison of the historical transmission costs adjusted for the new UTR levels and revenues generated from the existing RTSRs. Horizon Utilities further noted that Hydro One Networks Inc. had filed an application seeking Board authorization to charge changed UTRs effective January 1, 2013. Horizon Utilities indicated that it expected that, consistent with past practice, Board staff would adjust each distributor's 2013 IRM Rate Generator Model to incorporate changes, as appropriate, and that when OEB approved UTRs were available, Horizon Utilities would complete and file an RTSR Adjustment Workform that would calculate new RTSRs effective January 1<sup>st</sup>, 2013.

Board staff have been in contact with Horizon Utilities to request the filing of the completed RTSR Workform now. Consequently, as requested by the Board staff, Horizon Utilities is filing:

- a completed RTSR Workform for Electricity Distributors (2013 Filers) in pdf and live Excel formats;
- an updated 2013 IRM Rate Generator Model in pdf and live Excel formats; and
- updated pages from the Application Summary and Manager's Summary (with the changes noted).

The computed impact to the currently approved RTSRs is a reduction of approximately 2%. The updated monthly bill impact for a residential customer consuming 800 kWh is a 0.48% decrease or \$0.56. The updated monthly bill impact for a General Service <50 kW customer consuming 2,000 kWh is a 0.13% decrease or \$0.37.

Two hard copies of the above-noted items will follow by courier, with the updated changes on yellow paper for easier reference.

Please do not hesitate to contact me if you require anything further.

Yours truly,

*Original signed by Jamie Gribbon for*

Indy J. Butany-DeSouza  
Vice-President, Regulatory Affairs  
Horizon Utilities Corporation  
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Attachments