

UNDERTAKING

Undertaking

TO PROVIDE NET PRESENT VALUE AND NET BOOK VALUE OF THE FEEDERS SERVING MILTON

Response

Hydro One has not agreed to the basic assumption that the feeders supplying Milton out of Palermo TS should be charged Specific Line charges as opposed to being charged Shared line charge. Hydro One has OEB approval to charge LV feeders two different types of LV rates: Specific charge on a per kilometre basis if the feeder is located within an LDC's boundaries and Shared feeder charge which is based on a per kW basis for all others. The feeders supplying Milton out of Palermo TS do not meet the definition of Specific feeders.

	Net Present Value
Existing rate	\$220K
Specific Charge Rate	\$10K

Net Book Value; \$10K

All calculations are as of March, 2007 which is the date for the original Net Present Value calculation.