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ONTARIO ENERGY BOARD



**Susan Frank**  
Vice President and Chief Regulatory Officer  
Regulatory Affairs

BY COURIER

April 16, 2008

*Dr. 7/4/08*  
Ms. Kirsten Walli  
Secretary  
Ontario Energy Board  
Suite 2700, 2300 Yonge Street  
P.O. Box 2319  
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*ER-2007-0681*

BOARD SECRETARY	
File No:	Sub File: <i>19</i>
Panel	<i>ERK / RUIPS</i>
Licensing	<i>RUIVC</i>
Other	<i>MM</i>

Dear Ms. Walli:

### Hydro One Networks – Updated Conditions of Service

In 2007, Hydro One Networks Inc. (“Hydro One”) updated its Conditions of Service (“COS”) document to reflect changes in the Distribution System Code and several new industry initiatives that affect Hydro One’s relationship with its distribution customers. The update incorporated new terms and conditions related to the Regulated Price Plan, Embedded Generator connections, and the Renewable Energy Standard Offer Program. In addition, various sections of the document were rewritten or consolidated to enhance clarity and ease of use.

In accordance with section 2.4.8 of the Distribution System Code, Hydro One has provided advance notice of these changes, along with a means for comment. Information was included in a bill insert to customers from November, 2007, to February, 2008, for all residential, seasonal and farm customers; business customers were notified with an on-bill message. The updated COS document was made available on Hydro One’s Web Site.

Three customer comments were received:

- 1) A customer asked why electricity rates continued to rise despite people’s efforts to change to CFL light bulbs, and why the Debt Retirement Charge was not decreasing.
- 2) A business customer in Huntsville asked about section 2.3.1 of the COS (Limitations on the Guarantee of Supply). The customer’s question pertained to a new paragraph that had been added to this section of the COS advising customers requiring continuous 3-phase supply to install protective apparatus. While this is a new addition in the COS document, it is not a new

requirement. The customer asked who would install the protective equipment, and at what cost? The customer has been advised that since these additional measures are solely for the benefit of the customer, the installation of such devices is at the customer's discretion and expense.

- 3) A customer submitted an inquiry on section 2.3.5 (Voltage Guidelines) of the COS – specifically, Hydro One's response guidelines in situations where the voltage lies outside the limits for Extreme Operating Conditions. Hydro One's specific response, in such instances, would be dependent on factors such as location, the nature of the load and circuit, and the extent to which the limits are exceeded. The customer was concerned that a voltage outside the Extreme Operating Conditions for an extended period of time could cause problems with modern appliances. This section is not new, and was part of the previous COS. The section, as written, complies with the requirements of the Distribution System Code and the Canadian Standards Association.

A copy of the updated COS was filed with the Board on December 18, 2007, with Hydro One's distribution rate application (as Exhibit G2-96-1) in EB-2007-0681. For the Board's convenience, a summary of the COS changes is attached below (Attachment A).

Sincerely,



Susan Frank

Attachment A Summary of Changes

## ATTACHMENT A

### *Hydro One Networks' Conditions of Service (COS)*

#### Summary of Changes

#### **1.6 Customer Rights and Obligations. (Page 5)**

These items have been consolidated in a single section. Customers should be aware of their Rights, and also their Obligations in such areas as providing access to equipment, and maintenance of customer-owned equipment.

#### **2.1.2 E Expansions/Offer to Connect. Alternative Bids. (Page 23)**

If Hydro One is required to extend the distribution system to connect a new customer, some of the work may be performed by another Company. Customers may seek alternative bids for this 'contestable' work, and we have clarified what work should not be included in the alternative bids.

#### **2.1.7 A Implied Contracts. (Page 28)**

We have explained our policy in managing landlord and tenant accounts in this section.

#### **2.1.7 E Connection Agreements. (Page 30)**

New Government legislation was released in 2006 to encourage more small and renewable generation in Ontario. These generators must be connected to the local delivery system, and we have clarified a requirement for Connection Agreements with generators.

#### **2.2 Disconnection. (Page 31)**

This section identifies when Hydro One has the right to disconnect service. Service can be disconnected if a meter repair or replacement must be performed, but Hydro One cannot obtain access to the meter or reach the customer. Also included is a section on Service Cancellation (**section H, page 34**) and the steps that will be taken by Hydro One if requested to cancel service.

#### **2.3 Conveyance of Electricity. (Page 34)**

A paragraph has been added requiring customers to install protective apparatus for their equipment, if connected to three-phase supply and requiring continuous supply.

#### **2.3.2 F Stray or Tingle Voltage. (Page 35)**

This section is new and it describes Stray Voltage, its sources, and provides a Hydro One contact.

#### **2.3.4 Standard Voltage Offerings. (Page 38)**

Updates to this section clarify the standard voltages provided by Hydro One, and a requirement that equipment for any alternative voltage levels must be provided by the customer.

**2.3.6 Emergency Backup Generation Facilities & Load Displacement Generation Facilities. (Page 40)**

Hydro One's conditions for load displacement generators are added in this section.

**2.3.7 F Metering for an Embedded Generation Facility. (Page 43)**

This new section identifies metering requirements for Generation facilities.

**2.4.2 B Energy Supply. Pricing of Standard Supply Service, including Regulated Price Plan (RPP). (Page 49)**

In 2005, the Ontario Government announced the Regulated Price Plan. The terms of this Plan are covered in this section.

**2.4.3 G Waiver/return of security deposit for Good Payment History. (Page 53)**

Added to the end of this section are guidelines on the use of a letter of reference to waive or reduce a security deposit amount.

**2.4.3 I Security from Embedded Distributors. (Page 55)**

This section reflects a policy change to the amount refunded after seven years.

**2.4.5 B Late Payment Charges. (Page 59)**

We have clarified the time period over which our late payment charge is calculated.

**2.5 B Customer Information. Protection of Individual Privacy and Consumer Information. (Page 61)**

We have added to this section the steps that Hydro One takes to protect customer information when contracting with a 3<sup>rd</sup> party to provide services.

**3.5 Embedded Generation Facilities. (Page 77)**

This section includes terms for connecting generators.