



EB-2009-0096

NOTICE OF APPLICATION AND HEARING FOR AN ELECTRICITY DISTRIBUTION RATE CHANGE

Hydro One Networks Inc.

Hydro One Networks Inc. has filed its application with the Ontario Energy Board, received on July 13, 2009, under section 78 of the Ontario Energy Board Act, 1998, S.O. 1998, c. 15 (Schedule B), seeking approval for changes to the rates that Hydro One Networks Inc. charges for electricity distribution, to be effective January 1, 2010 and January 1, 2011. The Board has assigned file number EB-2009-0096 to the application. The Board's decision on this application may have an effect on all of Hydro One Networks Inc.'s distribution customers.

Hydro One Networks Inc. has also included its 2010 – 2014 Green Energy Plan as part of this application. The Board's decision on this aspect of the application may have an effect on all electricity customers in Ontario.

Any change to Hydro One Networks Inc.'s distribution rates will cause Hydro One Networks Inc.'s delivery charges to change. Delivery charges are one of four regular items on residential and general service customers' electricity bills and vary depending on the amount of electricity consumed.

Hydro One Networks Inc. is seeking approval of \$1,181,000,000 as the 2010 revenue it requires to provide electricity distribution and \$1,294,100,000 as the 2011 revenue it requires to provide electricity distribution. On an equivalent basis, this compares with a Board-approved level of \$1,028,100,000 for 2008, the last year the rates were reviewed on a cost of service basis. For the 2009 rates, the Board approved adjustments to distribution rates using an Incentive Regulation Mechanism process.

Hydro One Networks Inc. indicates that if the application is approved as filed, an average customer would experience an increase on the delivery portion of their electricity bill of approximately 9.5% in 2010 and 13.3% in 2011.

Customer impacts will vary because Hydro One is in the process of implementing a 4 year rate harmonization plan. This plan, which was approved by the Board in 2008, will convert the rate classifications of the 88 acquired utilities into a single set of rate classifications for Hydro One's entire service territory. The result will be a total of 12 rate classes at the end of four years. 2010 and 2011 will be the third and fourth years of the four year approved plan.

On a more specific basis, Hydro One Networks Inc. indicates that if the application is approved as filed, the 2010 bill impact on the delivery portion of the bill will range from a decrease of 1.3% or \$0.86 to an increase of 24.6% or \$11.20 for residential customers consuming 1,000 kWh per month. For general service energy-billed customers consuming 2,000 kWh per month the bill impact on the delivery portion of the bill may range from a decrease of 20.8% or \$47.57 to an increase of 28.3% or \$21.73.

For 2011, the bill impact on the delivery portion of the bill will range from 7.7% or \$4.25 to 23.2% or \$13.16 increase for residential customers consuming 1,000 kWh per month. For general service energy-billed customers consuming 2,000 kWh per month, the 2011 bill impact on the delivery portion of the bill will range from a decrease of 23.5% or \$42.62 to an increase of 25.9% or \$25.98. Hydro One Networks Inc. has forecast that the revenue requirement increase sought will have maximum impacts of 10% on total bill in 2011 for average customers.

Due to the continued implementation of the harmonization plan, some individual customers with community-specific rates may experience bill impacts in excess of those described above. Hydro One Networks Inc.'s customers can determine if this applies to them by checking their "service type", which appears on page 2 of their Hydro One Networks Inc. bill beside the words "Your electricity charges". If the "service type" shown on your bill includes your specific community's name, you can obtain further information on your bill impacts by going to www.HydroOneNetworks.com/2010RateApplication or calling Hydro One Networks Inc. at 1-888-664-9376.

How to see Hydro One Networks Inc.'s Application

Copies of the application are available for inspection at the Board's office in Toronto and on its website, www.oeb.gov.on.ca, at Hydro One Networks Inc.'s website www.HydroOneNetworks.com and at the following Hydro One Networks Inc. offices:

Head Office, 483 Bay Street, Toronto

Markham Office, 185 Clegg Road, Markham

Barrie Field Business Centre, 45 Sarjeant Drive, Barrie

Peterborough Field Business Centre, 913 Crawford Drive, Peterborough

Sudbury Field Business Centre, 957 Falconbridge Road, Sudbury

Merivale Service Centre, 31 Woodfield Drive, Ottawa

Dundas Field Business Centre, 40 Olympic Drive, Dundas,

Beachville Field Business Centre, 56 Embro Street, Beachville,

Thunder Bay Field Business Centre, 255 Burwood Road, Thunder Bay

How to Participate

You may participate in this proceeding in one of three ways:

1. **Send a Letter with your Comments to the Board**

Your letter with comments will be provided to the Board members deciding the application, and will be part of the public record for the application. If you wish to make an oral presentation to the Board, your letter should include this request. Your letter must be received by the Board no later than **30 days** from the publication or service date of this notice. The Board accepts letters of comment by either post or e-mail at the addresses below.

2. **Become an Observer**

Observers do not actively participate in the proceeding but monitor the progress of the proceeding by receiving documents issued by the Board. You may request observer status in order to receive documents issued by the Board in this proceeding. If you become an observer, you need to contact the applicant and others to receive documents that they file in this proceeding and they may charge you for this. Most documents filed in this application will also be available on the Board's website. Your request for observer status must be made in writing and be received by the Board no later than **10 days** from the publication or service date of this notice. The Board accepts observer request letters by either post or

e-mail at the addresses below; however, two paper copies are also required. You must also provide a copy of your letter to the applicant.

3. Become an Intervenor

You may ask to become an intervenor if you wish to actively participate in the proceeding. Intervenor status is eligible to receive evidence and other material submitted by participants in the hearing. Likewise, intervenors will be expected to send copies of any material they file to all parties to the hearing.

Your request for intervenor status must be made by letter of intervention and be received by the Board no later than **10 days** from the publication or service date of this notice. Your letter of intervention must include a description of how you are, or may be, affected by the outcome of this proceeding; and if you represent a group, a description of the group and its membership. The Board may order costs in this proceeding. You must indicate in your letter of intervention whether you expect to seek costs from the applicant and the grounds for your eligibility for costs. You must provide a copy of your letter of intervention to the applicant.

The Board may choose to proceed with this application by way of written or oral hearing. The Board will not hold a written hearing if a party satisfies the Board that there is good reason for holding an oral hearing. Your letter of intervention should indicate your preference for a written or oral hearing, and the reason for that preference.

If you already have a user ID, please submit your intervention request through the Board's web portal at www.errr.oeb.gov.on.ca. Additionally, two paper copies are required. If you do not have a user ID, please visit the Board's website under e-filings and fill out a user ID password request. For instructions on how to submit and naming conventions please refer to the RESS Document Guidelines found at www.oeb.gov.on.ca, e-Filing Services. The Board also accepts interventions by e-mail, at the address below, and again, two additional paper copies are required. Those who do not have internet access are required to submit their intervention request on a CD or diskette in PDF format, along with two paper copies.

How to Contact Us

In responding to this Notice, please include Board file number EB-2009-0096 in the subject line of your e-mail or at the top of your letter. It is also important that you provide your name, postal address and telephone number and, if available, an e-mail

address and fax number. All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

Need More Information?

Further information on how to participate may be obtained by visiting the Board's website at www.oeb.gov.on.ca or by calling our Consumer Relations Centre at 1-877-632-2727.

IMPORTANT

IF YOU DO NOT DO NOT REQUEST TO PARTICIPATE IN THIS PROCEEDING IN ACCORDANCE WITH THIS NOTICE, THE BOARD MAY PROCEED IN YOUR ABSENCE AND YOU WILL NOT BE ENTITLED TO ANY FURTHER NOTICE IN THIS PROCEEDING.

Addresses

The Board:

Post:
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4
Attention: Board Secretary

Filings : www.errr.oeb.gov.on.ca
E-mail: Boardsec@oeb.gov.on.ca

Tel: 1-888-632-6273 (toll free)
Fax: 416-440-7656

The Applicant:

Hydro One Networks Inc.
8th Floor, South Tower
483 Bay Street
Toronto ON M5G 2P5
Attention: Ms. Anne-Marie Reilly
Regulatory Coordinator – Regulatory Affairs

Email: regulatory@hydroone.com

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Ce document est disponible en français.

DATED at Toronto, August 4, 2009

ONTARIO ENERGY BOARD

Original Signed by

Kirsten Walli
Board Secretary