

1 **BILL IMPACTS SUB-TRANSMISSION CUSTOMERS**

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3 This schedule presents an assessment of the Sub-Transmission (ST) customer bill
4 impacts. The impacts are due to both the change in Revenue Requirement and the
5 customers' transition from their existing classes to the proposed ST class. The proposed
6 ST rates are described in Exhibits G1, Tab 4, Schedule 4. The existing classes mapped to
7 ST include Urban General Service, Three-Phase General Service, Three-Phase Farms, T-
8 class, Acquired General Service, Acquired Large Users, Embedded Direct and Embedded
9 LDCs. The bill impact assumes no change to other non-ST related charges, except the
10 creation of Regulatory Asset Rate Rider # 3 described in Exhibit G1, Tab 5, Schedule 3,
11 ending Regulatory Rate Rider # 1, and the proposed change to Retail Transmission
12 Service Rates (RTSR) as described in Exhibit G1, Tab 6, Schedule 1. Commodity costs
13 are assumed to be 5.2 ¢/kWh. Total Loss Factor proposed for the ST class is 3.4% as
14 explained in Exhibit G1, Tab 10, Schedule 1. Impacts include the recovery for
15 Regulatory Asset # 2 as approved by the OEB.

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17 **1.0 ESTIMATED CUSTOMER BILL IMPACTS**

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19 The table below presents estimates of annual bill revenue by customer classification.
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Table 1
Bill Impacts for ST Customers

Customer Existing Rate class	Total current Bill with Rate Riders (\$M/yr)	2008 Change in DX related charges (\$M/yr)	Change in Regulatory Asset Rate Riders (\$M)	2008 Change in RTSR and Losses (\$M/yr)	Total 2008 Bill (\$M/yr)	Total Bill Impact (%)
UGS	6.6	(1.1)	(0.1)	(0.0)	5.3	(18.7)
Acquired General Service	51.2	(2.6)	(1.1)	(0.0)	47.5	(7.3)
Three-phase General Service	41.2	(8.9)	(0.4)	0.3	32.3	(21.7)
T class	92.7	(16.5)	(0.8)	1.2	76.5	(17.5)
Large Users	28.7	(2.8)	(0.4)	0.1	25.6	(10.8)
Embedded LDC (LV)	1,004.1	(2.2)	(8.1)	(19.4)	974.4	(3.0)
Embedded Direct (LV)	229.8	(0.1)	(2.1)	(3.4)	224.1	(2.5)

2.0 DISCUSSION OF CUSTOMER BILL IMPACTS

The total bill impacts for Embedded LDCs and Embedded Direct customers shown in Table 1 takes into account only the load supplied to Embedded customers by Hydro One's ST facilities. Embedded LDCs and Embedded Directs may also be supplied through Transmission connections. For this reason a range of impacts has not been provided in this submission for Embedded LDCs and Embedded Direct customers as it would not represent the impact on the total embedded customer load, only an average group impact is provided.

All customer classes being mapped to the new ST customer class will see estimated average bill impact reductions. The proposed ST rates will be implemented in 2008 and are not proposed to be phased-in over multiple years.

The impact of Regulatory Asset Rate Rider # 3 and the revised RTSR have been included in the total bill impacts.