

ONTARIO ENERGY BOARD NOTICE TO CUSTOMERS OF HYDRO ONE NETWORKS INC.

Hydro One Networks Inc. has applied to raise its electricity distribution rates.

Learn more. Have your say.

Hydro One Networks Inc. has applied to the Ontario Energy Board to increase the amount it charges by approximately \$1.57 each month for the typical residential customer beginning on January 1, 2016. Other customers, including businesses, may be affected as well.

The requested rate increase is based on a framework approved by the Ontario Energy Board for the period 2015 to 2017 and is tied to costs for 2016 which include measures to promote efficiency.

As required by the Ontario Energy Board, Hydro One Networks' application also includes the transition to a new residential rate structure. Hydro One has also proposed a mitigation plan to ease the impacts of putting that structure in place.

Your current electricity distribution rates are based on a combination of fixed and variable charges. Beginning in 2016, all electricity distributors are required to structure residential rates so that all the costs for distribution service are collected through a fixed monthly charge. As the Ontario Energy Board discusses in its policy paper (ontarioenergyboard.ca/ratedesign), this is a fairer and more transparent way to recover costs related to power distribution.

The policy applies only to the cost of distributing electricity. It does not affect the cost of the electricity itself, or other electricity-related charges, which together make up most of a typical customer's bill and will continue to be charged based on how much electricity a customer uses.

The change in rate design will not change the total amount of money your electricity distributor recovers from its residential customers. In fact, most residential customers in Ontario will see little change on their bill after the new policy is fully implemented. The impact of this change on your bill will depend on the amount of electricity you use, but the changes are being made over four years starting in 2016 to mitigate the impact of any increases. Hydro One has also proposed a plan to mitigate the impact of the fixed rate change because the impact exceeds a threshold set by the Ontario Energy Board.

THE ONTARIO ENERGY BOARD IS HOLDING A PUBLIC HEARING

The Ontario Energy Board (OEB) will hold a public hearing to consider Hydro One Networks' request. We will determine whether Hydro One Networks has appropriately implemented the framework from the EB-2013-0416 hearing and whether to approve Hydro One Networks' proposal for mitigating the impact of the shift to fixed distribution rates. At the end of this hearing, the OEB will decide on the appropriate rate changes.

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides you with reliable energy services at a reasonable cost.

BE INFORMED AND HAVE YOUR SAY

You have the right to information regarding this application and to be involved in the process:

- You can review Hydro One Networks' application on the OEB's website now.
- You can file a letter with your comments, which will be considered during the hearing.
- You can become an active participant (called an intervenor). Apply no later than **November 27, 2015**.
- At the end of the process, you can review the OEB's decision and its reasons on our website.

LEARN MORE

These proposed charges relate to Hydro One Networks' distribution services. They make up part of the Delivery line - one of the five line items on your bill. Our file number for this case is **EB-2015-0079**. To learn more about how to participate in this hearing, including how to file a letter with your comments or how to become an intervenor, go to: www.ontarioenergyboard.ca/notice. From that OEB web page you can also enter the file number EB-2015-0079 to see all the documents related to this case. You can also phone our Consumer Relations Centre at 1-877-632-2727 with any questions.

WRITTEN HEARINGS

There are two types of OEB hearings – oral and written. The OEB will determine at a later date whether to proceed by way of a written or oral hearing. If you think an oral hearing is needed, you can write to the OEB to explain why by **November 27, 2015**.

PRIVACY

If you write a letter of comment, your name and the content of your letter or the documents you file with the OEB will be put on the public record and the OEB website. However, your personal telephone number, home address and email address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.

This rate hearing will be held under section 78 of the Ontario Energy Board Act, 1998, S.O. 1998 c.15 (Schedule B).



Ontario

Ontario Energy Board Commission de l'énergie de l'Ontario