

## Halton Hills Hydro Update

### Electricity/Distribution Rate Change

As of April 1, 2005 there was an increase in the commodity and distribution rates charged by Halton Hills Hydro. The new electricity price for residential and other low-volume customers is 5.0 cents for the first 750 kilowatt hours (kWh) each month (based on 30 days) and 5.8 cents per kWh for the balance. The distribution rates have increased for investment in energy conservation and demand side management initiatives and regulatory asset recovery.

The price threshold for residential consumers will change twice a year beginning in November 2005. The threshold will be 1,000 kWh per month during a winter season (November 1 to April 30) and 600 kWh per month during a summer season (start date is May 1, 2006 to October 31).

The Ontario Government is restructuring Ontario's electricity sector to ensure adequate supplies of electricity as well as stable prices. Under the Electricity Restructuring Act, 2004, a new wholesale pricing structure known as Regulated Price Plan (RPP), has been established that incorporates both regulated and market prices.

For a detailed description of your charges and how they appear on your billing statement, please see other side.

### SCHEDULE OF ELECTRICITY RATES

(Effective for electricity consumed after April 1, 2005)

Customer Class (Standard Supply Customer)	Residential	General Service <50kW	General Service >50kW Non Interval Metered	General Service <1000kW Interval Metered	General Service >1000kW Interval Metered	Sentinel Lights
<b>Electricity Charges</b>	\$0.050/kWh Balance \$0.058/kWh	\$0.050/kWh Balance \$0.058/kWh	Average Spot Market Price/kWh	Average Spot Market Price/kWh	Average Spot Market Price/kWh	Based on Customer Class
<b>Delivery Charges</b>						
Monthly Service Charge	\$11.92/month	\$26.07/month	\$104.92/month	\$228.81/month	\$228.81/month	\$1.30/month
Distribution Charge	\$0.0136/kWh	\$0.0118/kWh	\$5.9278/kWh	\$5.0707/kWh	\$5.0707/kWh	\$5.8899/kWh
Transmission Network Charge	\$0.0057/kWh	\$0.0052/kWh	\$2.1218/kWh	\$2.2535/kWh	\$2.2508/kWh	\$1.6083/kWh
Transmission Connection Charge	\$0.0050/kWh	\$0.0045/kWh	\$1.7882/kWh	\$1.9603/kWh	\$1.9763/kWh	\$1.4113/kWh
<b>Regulatory Charges</b>						
Standard Supply Charge	\$0.25/month	\$0.25/month	\$0.25/month	\$0.25/month	\$0.25/month	\$0.25/month
Market Service Charge	\$0.0062/kWh	\$0.0062/kWh	\$0.0062/kWh	\$0.0062/kWh	\$0.0062/kWh	\$0.0062/kWh
Debt Retirement Charge	\$0.007/kWh	\$0.007/kWh	\$0.007/kWh	\$0.007/kWh	\$0.007/kWh	\$0.007/kWh
Loss Factor	4.52%	4.52%	4.52%	4.52%	4.52%	4.52%



### GLOSSARY OF TERMS

**Electricity:** This is the cost of electricity supplied to you during this billing period and is the part of the bill that is subject to competition. The electricity consumed is multiplied by the adjustment factor.\* Halton Hills Hydro collects this money and pays this amount directly to our suppliers.

\* When electricity is delivered over a power line, it is normal for a small amount of power to be consumed or lost as heat. Equipment, such as wires and transformers, consumes power before it gets to your home or business. The adjustment factor accounts for these losses.

**Regulatory Charges:** Regulatory charges are the costs of administering the wholesale electricity system and maintaining the reliability of the provincial grid.

**Provincial Benefit:** The price of generation in Ontario is set by a competitive market. Certain generators receive payments through regulation or contract that differ from the market price. Your portion of the net adjustment arising from these different payments is included on your bill.

**Note: RPP customers do not pay this charge.**

Halton Hills Hydro Inc. will continue to be a source of advice and guidance to all customers. Call our Customer Care department @ 519-853-3701 during office hours for further information, or log on to our website @ [www.haltonhillshydro.com](http://www.haltonhillshydro.com).

- If you would like to know more about the changes taking place in the electricity sector and how it affects you, visit the Ministry of Energy website at [www.energy.gov.on.ca](http://www.energy.gov.on.ca) or by phone at 1-888-668-4636.
- The Ontario Energy Board regulates Ontario's electricity sector. To contact the OEB Customer Information Centre visit their website at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca) or by phone at 1-877-632-2727.
- The Independent Electricity System Operator (IESO) Help Centre is also available to provide more information about the market. Visit their website at [www.theimo.com](http://www.theimo.com) or by phone at 1-888-448-7777.

**Delivery:** These are the costs of delivering electricity from generating stations across the Province to Halton Hills Hydro and then to your home or business. This includes the costs to build and maintain the transmission and distribution lines, towers and poles and operate provincial and local electricity systems.

A portion of these charges are fixed and do not change from month to month. The rest are variable and increase or decrease depending on the amount of electricity that you use.

**Debt Retirement Charge:** The debt retirement charge pays down the former Ontario Hydro debt.

**Standard Supply Charge:** This charge represents the cost for maintaining the spot market price.