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For immediate release

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OEB Issues Electricity Distribution Rate Decisions

Toronto – Today the Ontario Energy Board (the Board) issued its 2006 electricity distribution rate Decision and Order for Northern Ontario Wires.

The distribution rate changes, which take effect July 14, 2006, will appear on the “**Delivery**” line of consumer bills. Distribution rates cover the cost of delivering electricity from local utilities to consumers’ homes or businesses. This includes the costs to build and maintain power lines, towers and poles, and operate systems locally. It also includes items such as calculating charges and reading meters.

Most utilities applied to the Board to recover these costs from the consumers they serve. The Board developed a process to review the proposed costs to deliver electricity to consumers for utilities that filed 2006 distribution rate applications. The applications were reviewed by the OEB through a public process to determine what costs the utilities may pass on to consumers.

The approval of these changes to distribution rates for utilities follows the April 12, 2006 announcement by the Board of the new electricity commodity prices that took effect May 1, 2006. These new regulated prices will be reflected on the “**Electricity**” line of consumers’ bills.

The new distribution rates vary from utility to utility and remain in effect for a year. The following chart shows an example, by utility, of the total bill impact of the new distribution rate and electricity price separately, and the combined electricity and distribution rate, for a residential consumer using 1,000 kilowatt hours per month. The example reflects the “summer” consumption level for “Electricity” line prices under the Board’s Regulated Price Plan (RPP). For residential consumers, the monthly threshold for the lower price of 5.8 cents / kWh is set at 600 kilowatt hours during the summer season, from May to October and at 1,000 kilowatt hours for the winter season of November to April. The threshold for non-residential consumers that are eligible for the price plan will remain at 750 kilowatt hours per month throughout the year. Consumers will pay 6.7 cents per kilowatt hour for consumption above the threshold. RPP prices will be reviewed in the fall and may be adjusted on November 1st. The increase in the RPP price is the same for all consumers and accounts for the largest share of the impact for most consumers.

Utility	Estimated Monthly total Bill impact for a residential consumer using an average of 1,000 kWh/month (including GST)		
	Distribution Rate Change Impact (on total bill)	RPP Rate Change Impact (on total bill)	Total Bill Impact (RPP + distribution rate changes)
Northern Ontario Wires	5.7%	8.7%	14.4%
	\$6.16	\$9.42	\$15.58

The Board's rate Decisions for individual utilities are available on the Ontario Energy Board website. Additional information regarding the application of a specific utility can be obtained by contacting the utility directly.

The Ontario Energy Board regulates the province's electricity and natural gas sectors in the public interest. It envisions a healthy and efficient energy sector with informed consumers, and works towards this vision through regulatory processes that are effective, fair and transparent.

For more information on the Board or the above announcement, please visit our Web site at www.oeb.gov.on.ca or contact the Consumer Relations Centre at 416-314-2455 or toll-free at 1-877-632-2727.

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