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## **For immediate release**

April 28, 2006

### **OEB Issues Electricity Distribution Rate Decisions**

**Toronto** – Today the Ontario Energy Board (the Board) issued its 2006 electricity distribution rate Decision and Order for Hydro One Remote Communities.

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.

Hydro One Remote Communities is unique from other electricity distributors. It is an integrated generation and distribution company licensed to generate and distribute electricity within 20 isolated communities in Northern Ontario serving approximately 3,365 customers. Its systems are not connected to the provincial grid.

Hydro One Remote Communities receives funding from the Rural and Remote Rate Protection (RRRP) program. In its Decision, the Board noted the 2005 level of RRRP funding will continue in 2006. Hydro One Remote Communities' rates have been established to recover the difference between the costs associated with both the distribution and generation components of its operation and the funds received through the RRRP program.

In addition, the Board approved a change in the rate design for the majority of Hydro One Remote Communities' consumers that introduces a structure where rate levels increase within prescribed increasing thresholds of consumption. The thresholds and the levels of the rates have been determined to maintain revenue neutrality by customer class on an annual basis. As a result, a residential consumer using 1,000 kWh per month will see a reduction in their monthly bill from \$103.95 to \$93.95 or 9.6%, whereas a residential consumer using 2,000 kWh a month will see an increase from \$191.45 to \$197.25 or 3.0%. A residential consumer using 3,000 kWh a month will see an increase from \$278.95 to \$313.90 or 12.5%.

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](http://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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