

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
27th Floor, Suite 2701
Toronto ON M4P 1E4
Telephone: 416 481-1967
Facsimile: 416 440-7656

Commission de l'énergie de l'Ontario
C.P. 2319
2300, rue Yonge
27^e étage, bureau 2701
Toronto ON M4P 1E4
Téléphone : 416 481-1967
Télécopieur : 416 440-7656



For immediate release

Revised

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OEB Issues Electricity Distribution Rate Decisions

Toronto – Today the Ontario Energy Board (the Board) issued its 2006 electricity distribution rate Decisions and Orders for the following utilities:

- Hydro 2000 Inc.
- Hearst Power Distribution Company Limited

The distribution rate changes, which take effect **May 25, 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 will also take 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)
Hydro 2000 Inc.	4.9%	9.0%	13.8%
	\$5.08	\$9.42	\$14.50
Hearst Power Distribution Company Limited	5.8%	10.2%	15.9%
	\$5.36	\$9.42	\$14.78

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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For more information contact:

Vanda Wall
 Ontario Energy Board
 416-440-8149