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For Immediate Release

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OEB Announces Electricity Prices and Distribution Rates

Toronto – Today the Ontario Energy Board (the Board) released electricity commodity prices and utility distribution rates that will take effect May 1, 2007. The combined impact of the changes announced today will depend on where consumers live and how much electricity they use.

Effective May 1st, the Regulated Price Plan (RPP) prices will be 5.3 cents per kilowatt hour up to a certain amount each month and 6.2 cents per kilowatt hour above that. The new prices represent a 0.2 ¢ per kilowatt hour, or 3.3%, decrease relative to the prices that went into effect in November 2006. Compared to May 2006, electricity commodity prices under the price plan have decreased 8.8%. The reduction in electricity prices is primarily due to the decline in the RPP variance account balance as a result of milder than expected weather throughout the fall season and most of the winter.

The amount of electricity residential consumers can use at the lower price has also changed from the winter threshold of 1,000 kilowatt hours per month to the summer threshold of 600 kilowatt hours per month. Non-residential consumers eligible for the price plan can use 750 kilowatt hours each month at the lower price.

These prices are reflected on the “Electricity” line of consumers’ bills. The commodity prices announced today apply to consumers who buy their electricity through their utility. Consumers who currently buy their electricity from a retailer and pay their contract price will continue to do so.

The price plan is designed to ensure consumers pay what it costs to supply their electricity while smoothing the daily price variations that occur in the market. When the Board sets prices, it adjusts for past differences between what consumers have paid and what it has cost to supply them and it forecasts for future electricity costs.

The Board also issued decisions today on distribution rates for 70 electricity utilities that applied for distribution rate changes using the Board’s incentive regulation guideline. The guideline provided for a modest increase due to inflation less an adjustment to encourage utilities to find efficiencies in their operations. In some instances, the decisions also reflect approved funding for smart meters and conservation and demand management.

Distribution rates cover the cost to deliver electricity from local utilities to consumers’ homes or businesses. They include the costs associated with building and maintaining

distribution lines and administration costs. Distribution rates vary from utility to utility and are included under the “Delivery” line of consumers’ bills.

In setting the distribution rates and electricity prices the objective of the Board is to establish fair prices for consumers while maintaining a viable energy sector.

A table of the estimated combined impact of the two announcements on residential consumers is available on the Board’s website.

The Ontario Energy Board regulates the province’s electricity and natural gas sectors in the public interest. It envisions a viable and efficient energy sector with informed consumers served by responsive regulatory processes that are effective, fair and transparent.

For more information, please refer to the attached backgrounders, visit the OEB 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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