ONTARIO ENERGY BOARD NOTICE TO CUSTOMERS OF HYDRO ONE NETWORKS INC.

Hydro One Networks Inc. has applied to raise its electricity distribution rates. Learn more. Have your say.

Hydro One Networks Inc. has applied to the Ontario Energy Board to increase the amount it charges by about \$0.97 each month for the typical residential customer beginning in January 2014. Other customers, including businesses, may be affected as well.

Hydro One applied under the Board's guidelines for 3rd Generation Incentive Regulation Mechanism which provides for a mechanistic and formulaic adjustment to distribution rates between cost of service applications. Hydro One has also requested a Smart Grid Rate Rider to recover \$29.3 million in costs for their Smart Grid Program, which will, if approved, increase a typical residential bill by \$1.13 per month until December 31, 2014 and has also requested a change to its Retail Transmission Service rates.

THE ONTARIO ENERGY BOARD IS HOLDING A PUBLIC HEARING

The Ontario Energy Board (OEB) will hold a public hearing to consider Hydro One's request. We will question the company on its case for a rate increase. We will also hear arguments from individuals and from groups that represent Hydro One customers. At the end of this hearing, the OEB will decide what, if any, increase will be allowed.

Distributors typically apply for a full review of their rates every four or five years. Any rate changes for the years in between are automatically tied to inflation (and other factors intended to promote efficiency).

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides you with reliable energy services at a reasonable cost.

BE INFORMED AND HAVE YOUR SAY

You have the right to information regarding this application and to be involved in the process. You can:

- review Hydro One's application on the OEB's website now.
- sign up to observe the proceeding by receiving OEB documents related to the hearing.
- file a letter with your comments, which will be considered during the hearing.
- become an active participant (called an intervenor). Apply by June 10, 2013 or the hearing will go ahead without you and you will not receive any further notice of the proceeding.
- at the end of the process, review the OEB's decision and its reasons on our website.

LEARN MORE

These proposed charges relate to Hydro One's distribution services. They make up part of the Delivery line - one of the five line items on your bill. Our file number for this case is EB-2013-0141. To learn more about this hearing, find instructions on how to file letters or become an intervenor, or to access any document related to this case please enter that file number at the OEB website: www.ontarioenergyboard.ca/notice. You can also phone our Consumer Relations Centre at 1-877-632-2727 with any questions.

In addition, a copy of Hydro One's application can also be seen at the Board's office and on Hydro One's website at www.HydroOne.com and at the following Hydro One Networks Inc. offices:

- Head Office, 8th Floor, South Tower, 483 Bay Street, Toronto
- Barrie Field Business Centre, 45 Sarjeant Drive, Barrie
- Peterborough Field Business Centre, 913 Crawford Drive, Peterborough
- Sudbury Field Business Centre, 957 Falconbridge Road, Sudbury
- Merivale Service Centre, 31 Woodfield Drive, Ottawa
- Dundas Field Business Centre, 40 Olympic Drive, Dundas
- Beachville Field Business Centre, 56 Embro Street, Beachville
- Thunder Bay Field Business Centre, 255 Burwood Road, Thunder Bay.

ORAL VS. WRITTEN HEARINGS

There are two types of OEB hearings – oral and written. If you have a preference for an oral hearing or a written hearing, you can write to the OEB to explain why.

PRIVACY

If you write a letter of comment or sign up to observe the hearing, your name and the content of the documents you file with the OEB will be put on the public record and the OEB website. However, your personal telephone number, home address and email address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.

This rate hearing will be held under section 78 of the Ontario Energy Board Act, 1998, S.O. 1998 c.15 (Schedule B).

