



MEDIA RELEASE

March 20, 2008
For Immediate Release

Changes in Local Hydro Distribution Rates Approved

Thunder Bay, ON – The Ontario Energy Board has approved new distribution rate changes for local hydro customers to take place as of May 1, 2008. In general, rates for distribution will go down slightly.

The impact of *this* decision on an average residential customer who uses 1000 kWh during a month will be a reduction of about \$2. A business customer who uses 50,000 kWh in a month will pay almost \$135 less per month than in 2007.

Distribution rates are separate from the cost of electricity or other regulatory fees that are passed through to other parties based on electricity usage. Regulated Price Plan costs are also due to change as of May 1st ; so the **overall impact on customers' bills cannot be fully determined until these rates are set** at the provincial level.

Application was made by Thunder Bay Hydro to adjust the distribution rates by using the standard formulas that the OEB has in place for the 2nd Generation Incentive Rate Mechanism. The regulatory asset recovery charge and rate rider will both cease effective May 1, 2008. Additionally transmission delivery charges are decreasing as a result of changes to the Uniform Transmission Rates for Ontario.

Thunder Bay Hydro is responsible for the power line system within the city limits of Thunder Bay and for delivering electricity to the homes and businesses here. Thunder Bay Hydro distributes electricity to over 49,000 customers via a network of over 1,300 kilometers of overhead and underground power lines. We answer billing questions, provide for the reading of meters, offer energy conservation advice and programs, plan & maintain the local power line system and provide 24-hour emergency response.

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For More Information -
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