



MEDIA RELEASE

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For Immediate Release

Thunder Bay Hydro Applies for Rate Change

Thunder Bay, ON – Thunder Bay Hydro Electricity Distribution Inc. has made an application to the Ontario Energy Board that would result in an increase in customer bills. The application outlines a request to cover capital spending for an accelerated replacement plan for aging infrastructure, succession planning and anticipated costs for the provincially mandated Smart Meter conversion.

“This application focuses on the rebuilding of the aging distribution system to improve service and reliability, the recruitment of the next generation of skilled tradespeople and the installation of smart meters,” notes Robert Mace, President of Thunder Bay Hydro. “Our increase in investment to replace and refurbish the system is approximately \$1.1 million more than in 2008 for a total of \$4.1 million in 2009. In the case of our workforce, 30% of our skilled tradespeople are eligible to retire in the next five years and this jumps to 50% when looking at the ten year time horizon. Because it takes five years to complete an apprenticeship, we have had to begin hiring now in order to transfer the knowledge and skills of our experienced workforce to the new apprentices. This investment in training will ensure an experienced workforce will exist when these retirements take place. Smart meters are also coming and our goal is to educate customers to understand the cost of electricity and in turn conserve electricity during peak hours.”

If approved, the average residential customer using 1000 kWh each month will see an increase of 3.58% on their total bill which translates to an additional \$3.77 each month. Delivery Charges are just one component of a hydro bill. Of the \$3.77 in applied for increases, \$1.58 is a straight pass through of Provincially Mandated transmission charges with \$0.98 dedicated to funding Smart Meter installations as required by the Provincial Government. This leaves \$1.21 per residential customer per month for Thunder Bay Hydro to invest in the renewal of the distribution system and skilled workforce planning.

A business customer consuming about 2000 kWh each month will see an increase of 3.70% on their total bill which translates to an additional \$7.64 each month.

Details can be found in the application document which has been posted on the Thunder Bay Hydro website: www.tbhydro.com.

-30-

For more information,
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