

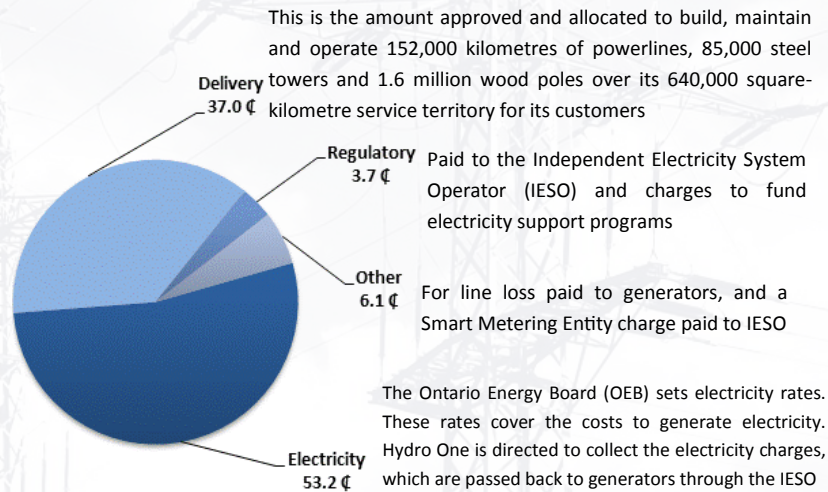
Residential Electricity Bill



Where Do The Charges Go?

Prior to 1998, 100% of the typical Mississaugas of the New Credit First Nation (MNCFN) electricity bill went to Ontario Hydro who handled electricity generation AND distribution. In 1998 Ontario Hydro was disbanded into several smaller companies which have different responsibilities. Today's electricity bill is now collected by Hydro One, but the money they collect from each bill is distributed to the entities below as follows:

Breakdown Per Dollar of Your Hydro One Bill



**Note: percentages are based up on a typical 750kWh (18% on-peak, 17% mid-peak, and 65% off-peak) low-density residential bill with tax exemption. 8% rebate not included.*

How Are My Electricity Charges Determined?

The electricity charge is based upon how much electricity you use each month and when you use it. Both are measured by your electricity meter. Most Hydro One customers in Ontario now have Smart Meters, including our community. Smart Meters operate under **Time-of-Use (TOU) Pricing**.

Your **metered usage** is how much electricity you used; your **adjusted usage** is slightly higher and includes energy that is lost through transmission lines and transformers on its way to your home (known as line loss).

Time-of-Use (TOU) Pricing

- New Smart Meter
- Has a digital display
- Are being phased in across the province
- Means you are billed on the Time-of-Use (TOU) pricing system

TOU pricing charges customers based on the period of the day in which they use electricity. Different electricity prices exist at different times of the day. There are three main periods;

- **Off peak (green), Mid-peak (gold), and On-peak (orange)**

Each period has different rates. Charges also change from winter to summer.

It is important to be aware of **on-peak** and **off-peak** hours to use this system to your advantage! During the **on-peak** hours, demand for energy is highest, so prices are higher to reflect this demand. During the **off-peak** hours, demand is low, and as such, prices are lower.

To save money:

- use minimal appliances during on-peak hours; and
- use larger, high-energy-using appliances during off-peak hours.

Summer Pricing (May 1 - October 31) Weekends/Holidays (All Year) Winter Pricing (November 1 - April 30)



Winter Prices effective from November 1, 2016 to April 30, 2017

PRICES PER kWh **8.7¢** Off-peak **13.2¢** Mid-peak **18.0¢** On-peak

Summer Prices effective from May 1, 2016 to October 31, 2016

home. Distribution and transmission charges cover the cost of maintaining and operating these lines.

Hydro One bases your delivery charges on your **density categorization**. Your Hydro One bill shows your density categorization near the **top of Page 2**. Density categorization is based on the number of customers drawing electricity from a distance of power line. The longer the distance electricity has to travel between customers, the more effort is needed to create, maintain, and use infrastructure per customer. So, a higher density rating results in lesser charges while a lower density rating results in greater charges.

- **Residential Medium Density** - contains 100 or more customers, with at least 15 customers for every kilometer of power line used to supply energy to the zone
- **Residential Low Density** - the remaining residential area not covered by urban or medium density areas
- **Seasonal** - any residential service not meeting the residential year-round criteria, including dwellings such as cottages, chalets and camps

What Are The Charges On My Bill?

Electricity Charges - as of January 1, 2017				
TOU Category	Rate			What Is It Used For?
On-Peak	18.0 ¢/kWh			Covers the cost of generating electricity.
Mid-Peak	13.2 ¢/kWh			
Off-Peak	8.7 ¢/kWh			
Delivery Charges - as of January 1, 2017				
Charge	High Density	Medium Density	Low Density	What It's Used For
Distribution Service Charge- DSC (flat rate)	\$25.50 /month	\$34.59 /month	*\$21.19 /month	Pays for the costs of billing, meter reading, customer service, and 24 hour power restoration services. *With \$60.50 RRRP credit applied.
Smart Metering Entity Charge - SMEC (flat rate)	\$0.79/month	\$0.79/month	\$0.79/month	Covers the costs of installing Smart Meters across the province. Collected on behalf of the IESO until October 2018.
Distribution Volume Charge - DVC (metered usage)	0.91 ¢/kWh	2.28 ¢/kWh	3.74 ¢/kWh	Covers costs of building and maintaining distribution lines, poles, stations, and transformers.
Transmission Connection Charge - TCC (adjusted usage)	0.47 ¢/kWh	0.47 ¢/kWh	0.44 ¢/kWh	Covers the costs of operating and maintaining the high voltage transmission systems that deliver electricity.
Transmission Network Charge - TNC	0.67	0.64	0.62	
Regulatory Charges - as of January 1, 2017				
Usage	Cost			What Is It Used For?
Standard Supply Service Administration Charge - SSSAC (flat rate)	25.0 ¢/month			Covers the costs of OEB administration and regulatory responsibilities.
Wholesale Market Service Rate - WMSR (adjusted usage)	0.36 ¢/kWh			Covers the costs of IESO market regulation responsibilities.
Rural or Remote Rate Protection Charge - RRRPC (adjusted usage)	0.21 ¢/kWh			Covers lowered costs for customers in remote parts of the province.

HST Exemptions

First Nations people living on-reserve are exempt from paying the Harmonized Sales Tax (HST) on electricity bills. If you are currently paying for HST on your electricity bills, contact Hydro One to complete their GST/HST Exemption Form for removal of these charges.

HST Rebate

An 8% Ontario Rebate for Electricity Consumers (OREC) has taken effect on January 1, 2017. It rebates an amount equal to the provincial portion of the HST on Ontario consumer electricity bills. This rebate will also be applicable to First Nations customers who are HST exempt.

This rebate was introduced by Premier Kathleen Wynne to help Ontarians better afford their electricity after many consumers expressed concerns of high hydro invoices. The cost of electricity has risen since the phasing out of coal-fired generation plants and the building of alternative electricity generation infrastructure. It is expected that an average home which uses 800 kWh per month will save approximately \$130 on their electricity bills each year with the implementation of this rebate.

Debt Retirement Charge

The Debt Retirement Charge (DRC) on electricity was used to help pay off the remaining debt of the former Ontario Hydro. Customers who are First Nations and living on-reserve were exempt from this charge previous to its cancellation for residential customers in January 2016. Those who were paying this charge are eligible for reimbursement.

If you were paying for the DRC on your electricity bills

How we calculated your charges

Balance forward	Amount of your last bill	\$146.00
	Amount we received on January 14, 2017 – thank you	\$146.00 CR
	Balance forward	\$ 0.00
Your electricity charges	Your service type is Residential - Low Density	
	Electricity used this billing period	
	We read your meter J0000000 on February 6, 2017	021674.9899
	We read your meter on January 6, 2017	- 020924.9899
	Difference in meter readings	000750.0000
	Metered usage in kilowatt-hours (750.0000 x 1) = 750.0000 kWh	
	Electricity: Winter	
	On-Peak: 135.0000 kWh @ 18.0000 ¢	\$24.30
	Mid-Peak: 127.5000 kWh @ 13.2000 ¢	\$16.83
	Off-Peak: 487.5000 kWh @ 8.7000 ¢	\$42.41
	Delivery	\$67.59
	Regulatory Charges	\$5.89
	8% Provincial Rebate	\$12.56 CR
	Total of your electricity charges	\$144.45

Electricity Charges vs. Delivery Charges Summary

Your electricity and delivery charges are based on your “customer type”. Electricity charges are billed under **Time-of-Use (TOU) Pricing**.

Delivery charges are based on your customer type. If you are a **residential** customer, your charges are further based on your household **density categorization**, or how many customers are in your area.

Sample Bill Calculation

Low Density @ 750.0 kWh @ average peak usage
The following calculation uses the Hydro One Sample Bill provided in this brochure

Electricity Charges			
TOU Category	Usage	Rate	Cost
On-Peak	135.0 kWh (18%)	18.0 ¢/kWh	\$24.30
Mid-Peak	127.5 kWh (17%)	13.2 ¢/kWh	\$16.83
Off-Peak	487.5 kWh (65%)	8.7 ¢/kWh	\$42.41

Delivery Charges			
Charge	Cost		
DSC (flat rate)	= \$21.19		
SMEC (flat rate)	= \$0.79		
	Metered Usage	Rate	Adjustment Factor
DVC (metered usage)	750.0 kWh x	0.0374\$/kWh	x 1.0
	= \$28.05		
TCC (adjusted usage)	750.0 kWh x	0.0044 \$/kWh	x 1.105
	= \$3.65		
TNC adjusted usage)	750.0 kWh x	0.0062 \$/kWh	x 1.105
	= \$5.14		
Line Loss (electricity)			
	Cost		Adjustment Factor - 1
On-Peak	\$24.30	x	0.105 = \$2.55
Mid-Peak	\$16.83	x	0.105 = \$1.77

Regulatory Charges			
Charge	Cost		
SSSAC (flat rate)	= \$0.25		
	Metered Usage	Rate	Adjustment Factor
WMSR (adjusted usage)	750.0 kWh x	0.0036 \$/kWh	x 1.105
	= \$2.98		
RRRPC (adjusted usage)	750.0 kWh x	0.0021 \$/kWh	x 1.105
	= \$1.74		
OESPC (adjusted usage)	750.0 kWh x	0.0011 \$/kWh	x 1.105
	= \$0.91		
	\$5.89		

8% Provincial Rebate			
Electricity Charges	Delivery Charges	Regulatory Charges	8% Rebate
(\$83.54	\$67.59	+ \$5.89	x 0.08 = \$12.56 CR
+)			