

## **Release**

Hydro Hawkesbury is preparing to submit to the Ontario Energy Board, an adjustment to its rates (Cost of Service Application) for rates effective January 1, 2018. The utility is asked to file a Cost of Service every 4-5 years. Hydro Hawkesbury's last Cost of Service was in 2014.

Part of the preparation involves establishing priorities in capital and operational investments for 2017 and 2018.

In 2017, Hydro Hawkesbury's major investment is the replacement of its substation on Main Street. The total capital budget for 2017 is \$3,712,353 while 2018's investments are estimate at \$205,580

The following is a summary of Hydro Hawkesbury's proposed expenditures:

### **2017**

#### **System Access**

Hydro Hawkesbury budgeted an amount of \$42,669 to accommodate the building of subdivisions and the increase in customer service associated with these investments.

As part of our ongoing asset renewal, Hydro Hawkesbury will proceed with the renewal of our substation on Main Street. The new transformer has the capacity of the existing two transformers presently in service. The refurbished substation will feed approximately 4,100 customers in Hawkesbury.

The reasons for this significant capital expenditure is that the current station is over 50 years old and has now reached 99%.of its life expectancy.

Its carrying capacity has reached 80% and feeds 75% of Hydro Hawkesbury's customers.

All work performed must meet Hydro One, IESO (Independent Electricity Systems Operator) and the Transmission System Code. The total budget is \$ 3,525,000

#### **System Renewal**

The 2017 budget is \$94,584

Major betterment have already been done at the substation on Tessier Street. In 2017 only \$5,000 are expected in expenditures

Following annual inspections, we estimated \$60,000 for pole replacement and \$21,720 for the replacement of the original insulators with polymer insulators. Investments in lightning arrestors are estimated at \$7,864

### **System Service**

In order to satisfy our ongoing requirements for transformation, line transformers expenditures in 2017 are estimated at \$9,000

### **General plant**

In 2017, a minor investment of \$2,000 will be required to the building at 850 Tupper to solidify the column at the main entrance.

The Northstar billing software must be updated to the most recent version. The budget for 2017 \$31,000

Office equipment and the renewal our three Customer service Representative is estimated at \$ 6,100.

Finally high voltage equipment and tools are estimated at \$2,000

## **2018**

### **System Access**

Hydro Hawkesbury budgeted an amount of \$37,800 to accommodate the building of subdivisions and the increase in customer service associated with these investments.

### **System Renewal**

The 2018 budget is \$144,530

Repairs and maintenance to the existing reclosers at both substations are budgeted at \$ 26,750, which represent \$13,375 for each stations.

Following annual inspections, we estimated \$81,500 for pole replacement and \$17,930 for the replacement of the original insulators with polymer insulators. Lightning arrestors are estimated at \$8,350.

Hydro Hawkesbury will also start to replace some sections of primary conductor on Main Street with 336 MCM for an amount estimated at \$10,000.

### **System Service**

In order to satisfy our ongoing requirements for transformation, line transformers expenditures in 2018 are estimated at \$9,000

### **General plant**

In 2018, a minor investment of \$2,000 is estimated for the office building at 850 Tupper.

Accounting software update is budgeted at \$1,000.

Office equipment and the renewal of two office computers estimated at \$ 8,250.

Hydro Hawkesbury Inc. would like to hear you.

Please forward questions and comments to

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