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Sent: December-13-16 9:11 PM
To: BoardSec
Subject: Letter of Comment Submitted: EB-2016-0081

LETTER OF COMMENT

Comments:

I am submitting my comments for the above 2017 Electricity Distribution Rate Application to the Ontario Energy Board (OEB) by Hydro One Networks Inc. of November 18, 2016.

My concern is the lack of transparency on rural Ontario vs Urban Ontario delivery rates. While rural rates should be higher, the amount they should be higher should not rise with overall delivery rates, which include costs such as those from implementing the Green Energy Act.

Our delivery rates are now much more than I was paying for electricity (delivery + power) a decade ago. About a 120% increase in delivery fees for rural customers in 10 years.

Yet the cost of poles and aluminum wire, and labor to deliver power to rural customers can only have risen by something like inflation or about 20%. The other 100% of the increase of my delivery bill would then belong to other programs that HyrdoOne networks has taken on from orders like the Green Energy Act.

These extra costs should not be unevenly added to the bills of the people of rural Ontario. The costs for these extras should be split across all Ontario electric consumers.

The calculations are fairly straightforward. The cost to deliver electricity to rural Ontario should be either less or similar to that in neighbouring provinces (about \$0.04/kwh). To this amount the extra costs such as Green Energy Act interconnection costs should be spread equally across all customers.

Thus we look at a bill in Toronto for example, compared to a bill in rural Ontario. All figures approximate.

Rural Ontario - \$0.26 /kWh
Toronto - \$0.18 /kWh

From this we take away actual electricity costs of about \$0.11/kWh, leaving delivery at \$0.15 for rural customers and \$0.07 for urban customers. These delivery rates should actually be the same with a small amount added to rural customers to cover actual rural delivery costs.

Proposed rates:

Delivery in Toronto \$0.08

Delivery in Rural Ontario \$0.10 (in 2000 rural delivery was 2c higher than urban, and it should be about that same number now - about 2.4c with inflation).

This is a revenue neutral change in total for delivery in Ontario, and also lets the urban customers bear their share of Green Energy Act and other regulatory costs.

Rural Ontario is paying for far more than their share of the Green Energy Act. This is a result of accounting practices set up in good faith a generation ago, but which fail in the face of new Ontario government programs and regulations.

Sincerely

[Redacted signature]

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