

BURLINGTON HYDRO'S 2021- 2025 RATE APPLICATION

About BURLINGTON HYDRO

Burlington Hydro Inc. ("BHI") is a local distribution company serving approximately 68,000 residential and commercial customers in the City of Burlington. BHI is responsible for distributing power from the provincial transmission grid safely and reliably to homes and businesses across its service territory. The company is wholly owned by the City of Burlington.



BHI's 2021-2025 Business Plan

BHI has applied to the Ontario Energy Board for a change in the distribution rates that it charges its customers, effective May 1, 2021. The distribution rates are based on BHI's business plan, which includes capital investments (e.g. poles and wires) as well as operating expenses for day-to-day management of the company (e.g. customer service and outage response).

Between 2014 and 2020, BHI invested in replacing deteriorated distribution system assets such as wood poles and transformers in order to reduce the frequency and duration of unplanned outages. Capacity upgrades were made to accommodate growth in North East Burlington and vertical growth in downtown Burlington. Investments were made in new computer software systems, including BHI's Customer Information System which empowers customers with more self-service options and solutions to help manage and monitor energy use.

BHI developed its business plan based on information and input from internal engineering and technical experts, who closely monitor the pressures on the distribution system, develop solutions to address these challenges, and recommend investments that inform its plans. The plan also considers BHI's legal and statutory requirements as a regulated utility.



How Customers Informed BHI's Plans

BHI engaged customers throughout the development of its 2021-2025 business plan to inform and solicit feedback on the proposals being considered and associated outcomes expected. Between June 2019 and January 2020, BHI gathered feedback from close to 5,000 residential, small business and commercial customers through its customer engagement efforts.

BHI's Plan Delivers Outcomes to Customers

Over the course of the 2021-2025 period, BHI's investment needs are driven by deteriorating infrastructure, ongoing demand for new connections to the grid, changing electricity demand in pockets of the city, and technology changes.

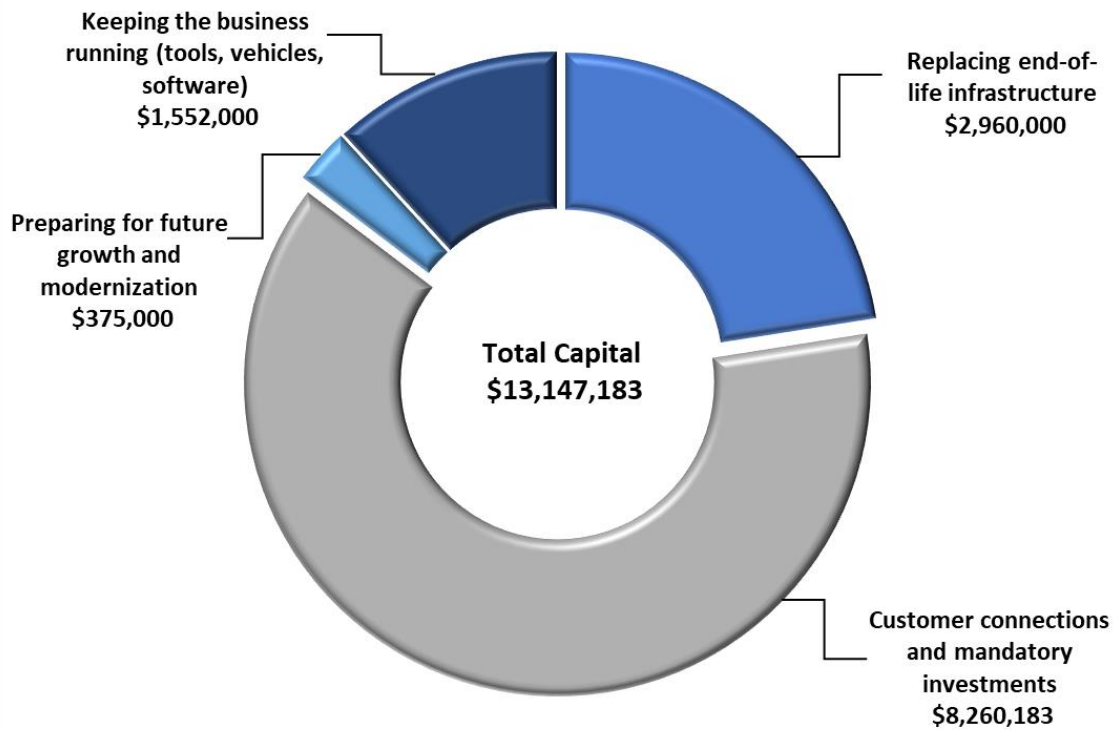
BHI's capital and operating plans are focused on the following activities and customer outcomes:

- Renewing deteriorating infrastructure to maintain the reliability and safety of the system;
- Investing in grid resiliency and BHI's ability to respond to more frequent occurrences of adverse weather events;
- Ensuring sufficient short-term and long-term system capacity is available to meet customer demand;
- Meeting the utility's obligation to accommodate customer connections (e.g. new subdivisions, condo developments) and comply with other mandated service requirements (e.g. relocating poles due to road widening);
- Making prudent investments into non-distribution system assets (e.g. tools, vehicles, software) to enhance service offerings and support resource planning; and
- Maintaining a focus on continuous improvement, efficiency, and productivity.



HOW MUCH WILL BHI'S PLAN COST?

BHI's proposed capital investments in 2021 are \$13,147,183. Proposed operating expenditures in 2021 are \$21,497,775.



BHI Bill Breakdown

Electricity distributors like BHI are funded through the distribution rates paid by customers. BHI does not receive taxpayer money to fund its operations or investments in the distribution system. While BHI is responsible for collecting payment for the entire electricity bill, it retains only a portion of the delivery charge representing approximately 25% of the bill (see page 4).

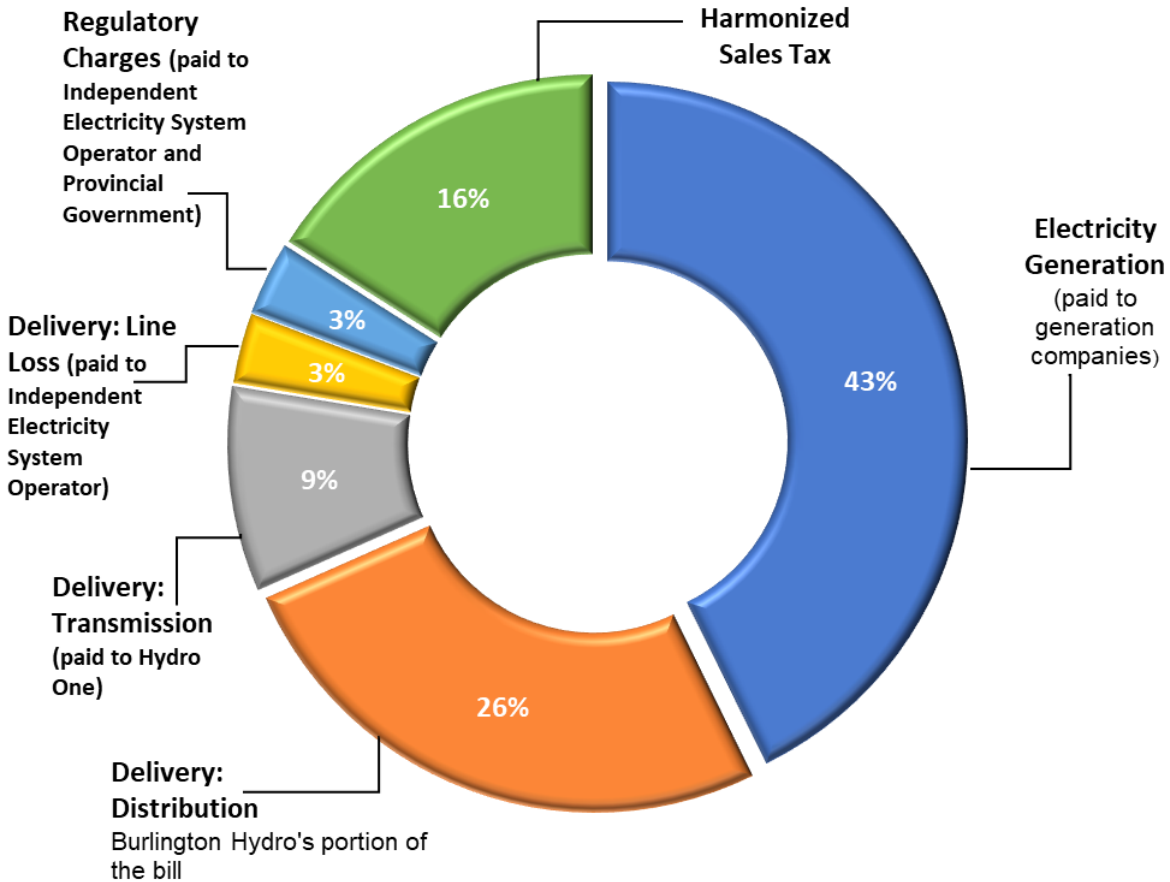
The proposed total bill increases from 2020 to 2021 for residential and small business (GS<50 kW) customers are:

Customer (Rate Class)	kWh Usage per Month	Total Bill Impact	
		\$	%
Residential	750	\$2.46	2.1%
General Service<50 kW	2,000	\$6.34	2.2%

The Ontario Energy Board and intervenors representing various customer groups such as low-income consumers, school boards and commercial and industrial customers will review BHI's plan in a rigorous, transparent public hearing process.

BILL BREAKDOWN

These are the electricity charges for the average residential customer using 750 kWh per month. These percentages include the Ontario Electricity Rebate.



How to Stay Involved

For more information or to access BHI's complete application visit:
<https://www.burlingtonhydro.com/about/bhi-the-company/regulatory-affairs.html>.

For more information on how to participate visit <https://www.oeb.ca/participate>.

