

Richard Dicerni, Chair

cc. Jacks Lake Association

Susanna Zagar, Chief Executive

Ontario Energy Board

2300 Yonge Street

Toronto, Ontario.

M4P1E4

Re: Seasonal Rate Class Elimination- EB-2020-0246

Dear Sirs,

I am writing this letter because I received a notification ON Feb. 8th from Hydro One of the Elimination of the seasonal rate class effective as early as Jan.1, 2022.

I am the owner of a seasonal cottage property on Jack Lake in the Kawartha Lakes region. This property has been used by five generations of our family over the last 55 years. Because we had more modest means at the time, my father and I built the cottage ourselves. We have been a loyal Hydro customer and paid a full share of property taxes over all of our tenure at the lake.

When we bought our property and began our relationship with Ontario Hydro at that time, we understood and accepted that due to the rural nature of our location we would be near the end of the hydro transmission lines in the area. This circumstance is common to a large number of the cottages on our lake and across Ontario. As a result, we expected that due to fewer customers in our area and longer transmission lines to get to us that we would likely experience more frequent power outages which would take longer to resolve because hydro would naturally try to restore power to the largest number of customers first in clusters around towns in our area. This expectation has proven to be very true. Our service is far below the standard we would expect in a city or even a local town with much more frequent power outages that take much longer to resolve. We understood that this was the main reason for the seasonal rate class. Due to this lower level of service, we have been forced to invest in a generator and an effective and safe transfer switch so that we can have access to power when hydro is not available. In fact in one recent year we spent more on fuel for our generator than we spent on kwh from hydro! Our generator is essential to meet our minimum needs for food preservation and for our water system. The vast majority of our cottage neighbours also have been forced to invest in generators for this reason.

We now understand that you have decided to eliminate this class and raise our distribution costs by over 100% to be more consistent with much more densely populated areas! Our five year average of Distribution costs is \$675 per year. Our new cost will go up by \$57.47 per month or \$689.64 per year a 102.2% increase! We further understand from speaking to Hydro One that there will be no improvement in service as a result of this increase in cost. Our concern is simple. You need to give us much improved service to city standards to justify this increase. If you choose not to increase service then you need to

go back to the longstanding and fair seasonal rate. Anything else would be a very poor decision on your part which is very unfair to loyal seasonal customers who have understood and accepted lower service levels over many years.

I am also concerned that the Hydro One Feb. 8<sup>th</sup> letter was the first we had heard of this increase and that the decision had already been made without our input. This is totally unacceptable and does not put the competence of your organization in a very good light.

We have been told by your people that “the decision has been made and will not be revisited”. We are appalled at the arrogance of this communication and the total lack of caring demonstrated by your organization on this issue. We urge you to reconsider and return to fair seasonal rates. If you insist on increasing our distribution service cost, at the very least you need to reconsider the level of increase. An increase of over 100% is totally unacceptable. It would mean that our hydro bill for distribution for a year would be \$1364.52 plus tax. This does not make sense when you consider that due to the seasonal nature of our property use, we only use under 2000 kwh per year for a five year average kwh cost of about \$185 per year. A change of this magnitude will encourage many cottagers to consider investing in Solar technology to go off grid. This would really be devastating to the rural power grid which would have to be maintained with fewer and fewer customers at correspondingly higher costs.

In summary:

1. We feel the Elimination of the seasonal rate class is a bad decision that needs to be revisited.
2. If you insist on Elimination, you need to dramatically reduce the cost increase to seasonal customers in line with the poorer service that they receive.
3. If you implement an increase, you need to phase it in over a long period to help cottagers on fixed incomes cope with the increase. We suggest a 10 year phase in would be more reasonable.
4. You need to be much more effective and timely in your communication with effected customers.

I hope this letter will help you understand that your decision as it stands is unfair and unacceptable to all seasonal customers. I look forward to hearing from you on this matter.

Sincerely,

Evan R. Cardiff

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