[redacted]

From: Webmaster <Webmaster@oeb.ca>
Sent: Sunday, March 14, 2021 2:30 PM
To: registrar <registrar@oeb.ca>
Subject: Letter of Comment - [redacted]

The Ontario Energy Board

-- Comment date --
2021-03-14

-- Case Number --
EB-2020-0246

-- Name --
John Juffs

-- Phone --
[redacted]

-- Company --

-- Address --
[redacted]

-- Comments --
This letter is written with reference to correspondence from Hydro dated February 10, 2021.
There several items which are significant to this customer.
1.The Seasonal rates have been a problem as the cost of electricity has been substantially higher than the directly adjacent neighbours who are in the R1 class and the high cost has made efficiency measures, such as a heat pump, to be more costly to operate than alternatives using fossil fuels. The distribution system is nearly 60 years old and customers, also connected for decades, are typically less than 100 feet apart. Accordingly, correcting the inequity of the seasonal rate class is necessary.
2.It is our understanding that the letter relates to HydroOne rates and not
to other charges such as regulatory, energy or taxes. The letter does not
explain the break down of the monthly billing charges and the proposed HydroOne portion of the bill. This makes it problematic to consider the rate changes which have been proposed by HydroOne. Looking at the table included in the letter, it appears that the average seasonal customer consuming 350 kWh per month has a 20% increase in monthly bill but this is distributed on the R2 customers who see a 50% increase while R1 and UR customers may see a decrease.
3.The electricity bills which have been received for a number of years, indicated that HydroOne charges represented about 1/3 of the amount, which was summarized in a pie chart. In fact, the HydroOne portion was closer to 2/3 of the typical bill. The website which provides consumers with their
electricity cost online shows only the cost for energy as supplied to HydroOne. The distribution costs (HydroOne) and other costs are not shown on the consumer's electrical cost, despite the fact that these costs represent more than half of the bill. Accordingly, the electricity usage displayed to the customer on the website could mislead a consumer into using more electricity because cost indicated is incomplete. One might assume that the electricity cost includes all costs. The marginal cost of electricity should have been explained in this letter so that consumers know what proportion is the fixed cost from HydroOne, and what proportion is the variable electricity cost per kWh.
4.The rate changes appear to represent a significant increase for Existing

R2 and R 1 customers as well as Seasonal customers in transition. Using the OEB website, monthly bills were estimated for the three categories R2, R1, and UR for HydroOne as the service provider, and compared to the cost table in the February 10 letter. It appears that the R2 base rate increases 179%,
R1 base increases 35 % and UR class declines 4% from the 2021 Winter Rates.
These are for existing R2 and R1 customers, not the Seasonal customers. These increases appear to far exceed the cost of living.
5.Future investment in heating systems, and other items such as electricity infrastructure for electric cars require a clear explanation of electricity costs to this location.
The attached tables summarise the calculations which were used to develop our comments. We found it challenging to find relevant accurate data, and the calculations are general as a result.
We respectfully ask your consideration of the comments and propose that the Seasonal rates be eliminated, that the OEB ensure that the rate changes are revenue neutral, and that charges be broken down accurately on monthly bill.
My impression is that there has been a significant general increase in the proposed electricity cost from 2021 to 2022.

-- Attachment --
https://www.oeb.ca/sites/default/files/uploads/comment-form/OEB%20Rates%202022%20attachment.pdf

Table 1

Extracted from HydroOne Feb 10, 2021 letter.

Sample HydroOne Bill Information circulated for customer comment

A	B	C	D	E	F	G	H	I	J
				2022 Change to Total Bill due to eliminating Seasonal class.					
Monthly Consumption (kWh)	2022 Seasonal Status Quo Total Bill	2022 Change in bIll for Seasonal Class Moving to All Fixed Rates		Seasonal Customer Moving to Residential Low Density(R2) Class		Seasonal Customer Moving to Residential Medium Density (R1) Class		Seasonal Customer Moving to Urban High Density (UR) Class	
0	$ / month	$	%	$	%	$	%	$	%
50	54.06	6.28	12%	53.79	100%	-5.23	-10%	-24.02	-44%
350	100.2	-1.02	-1%	54.31	54%	-5.48	-5%	-24.62	-25%
1000	200.17	-16.86	-8%	55.44	28%	-6.03	-3%	-25.61	-13%

Table 2

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Sample New 2022 Monthly bill calculated from Table 1.

Monthly Consumption (kWh)	2022 Seasonal Status Quo Total Bill	Seasonal all fixed rates	Seasonal Customer Moving to Residential Low Density(R2) Class	Seasonal Customer Moving to Residential Medium Density (R1) Class	Seasonal Customer Moving to Urban High Density (UR) Class
	$ / month	$	$	$	$
50	$ 54.06	$ 60.34	$ 114.13	$40.96	$ 36.32
350	$ 100.20	$ 99.18	$ 153.49	$78.36	$ 74.56
1000	$ 200.17	$ 183.31	$ 238.75	$159.65	$ 157.70

Table 3

Table of percent Increase in rates from Status Quo 2022 to Fixed Distribution Rates 2022.

Monthly Consumption (kWh)	% Increase for Customer moving from Seasonal to R2 Residential		% Increase for Customer moving Seasonal to R1 Residential		% Increase for Customer moving from Seasonal to UR	
	vs. status quo	vs fixed	vs. status quo	vs fixed	vs. status quo	vs fixed
50	111%	89%	-24%	-32%	-33%	-40%
350	53%	55%	-22%	-21%	-26%	-25%
1000	19%	30%	-20%	-13%	-21%	-14%

Note: Since there are more R2 customers than R1 and very few UR customers, the there appears to be a significant net increase.

Table 4

Table of percent increase for existing Customers, from Winter 2021 Rates to Fixed Distribution Rates 2022

Monthly Consumption (kWh)	% Increase for R2 Residential			% Increase for R1 Residential			% Increase for UR Residential		
	Winter 2021	R2 2022	%	Winter 2021	R1 2022	%	Winter 2021	UR 2022	%
50	$40.86	$ 114.13	**179%**	$40.96	$55.11	**35%**	$37.91	$ 36.32	**-4%**
350	$79.18	$ 153.49	**94%**	$78.36	$93.70	**20%**	$76.11	$ 74.56	**-2%**
1000	$162.00	$ 238.75	**47%**	$159.65	$177.28	**11%**	$158.93	$ 157.70	**-1%**

Note:

1. The 2022 monthly bills are extracted from the table of bills in the Feb 10 letter to seasonal customers
2. The example Winter 2021 bills were determined using the OEB website calculator for HydroOne customers.
3. There appears to be a significant increase for most customers compared to the present Winter 2021 rates.