From: Webmaster < Webmaster@oeb.ca> Sent: Sunday, March 14, 2021 5:14 PM To: registrar < registrar@oeb.ca>

Subject: Letter of Comment -

The Ontario Energy Board

-- Comment date -- 2021-03-14

-- Case Number --EB-2020-0246

-- Name --Catherine Higgens

-- Phone --

-- Company --

-- Address --

## -- Comments --

A rate increase of this magnitude (111% in annual electricity cost) requires sustained mitigation. I support a fixed credit for R2 Seasonal customers within consumption bands over the full phase-in of the rate change as proposed by Hydro One in their report. Once the rate is fully implemented, seasonal residents in rural areas (R2) should not be discriminated against and should be able to access programs to help with rural electricity rate increases, including RRRP. Seasonal residents are valued members of rural communities, providing many economic benefits, and they should be fairly treated as full residents within the R2 class if they are to pay R2 rates. Please refer to the attached for my full comment.

-- Attachment --

March 14, 2021

Ontario Energy Board P.O Box 2319 2300 Yonge Street, 27 floor Toronto ON M4P 1E4

To Whom it May Concern,

I am writing to request status as an intervenor in the written or oral hearing of the OEB with respect to file **EB-2020-0246** which will determine the mitigations for and the administration of the migration of the Seasonal Rate Class customers to other residential classes.

I am a property owner with low electricity consumption during the summer months who will be most affected by the intended rate increase. I am not alone - according to Hydro One analysis, fully 78,000 customers like myself will experience large negative impacts from a migration to R2 residential class. This impact is amplified as it will be implemented in combination with a rate increase due to the phase in of all-fixed distribution rates.

Hydro One analysis indicates that a low consumption customer such as myself would see an increase in my annual electricity bill from \$650 to \$1368 - an increase of \$720 or 111% - with no increase in consumption or service. The increase will pose a significant financial burden and will also affect the value of my property. An increase of this magnitude is unreasonable and requires <u>sustained</u> mitigation.

The credit-based mitigation as proposed by Hydro One in Option 1 of its report offers the best avenue for mitigating this impact while the new rate is being phased in for Seasonal Customers migrating to R2. The credit should be offered as proposed in Option 1 (fixed credit amount within consumption bands) over the full period required to limit the annual combined increase from removing the Seasonal rate and moving to all-fixed distribution rates to 10%.

Once the R2 rates are fully implemented for Seasonal Customers, there can be no fair rationale to discriminate between year round and seasonal residents in the R2 Class in their ability to access programs to help manage rural electricity rates, including the Rural and Remote Electricity Rate Protection (RRRP). The higher cost of delivering

electricity in rural areas affects <u>all</u> residents regardless of how many months a year they spend at their rural home. It is inconsistent and unfair to eliminate the Seasonal rate and move Seasonal Customers into the Residential Class, while at the same time denying them full status as Residents for the purpose of these programs. Regulation 442/01 should be modified to ensure fairness in this regard.

Seasonal residents are valuable members of our rural communities. They willingly pay among the highest property taxes, despite the fact that they often receive limited services in return. They generate economic benefits for the region. Sadly, all too often, they are treated as a "cash cow" and decisions such as a 111% annual electricity rate increase are imposed without regard to the financial burden they will bear.

In this context, and without access to the full range of programs available to mitigate the burden of rural electricity rate increases, alternatives to Hydro One such as solar and propane become much more attractive. Should this happen, the cost of providing Hydro One electricity in our rural areas will be spread over fewer and fewer residents, creating a cycle of increased rural rates to the detriment of all.

I appreciate the opportunity to participate in the OEB hearing on this matter.

Sincerely yours,

Catherine Higgens

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