

February 20, 2021

Susanna Zagar
CEO
Ontario Energy Board
2300 Yonge Street, 27th floor
PO Box 2319
Toronto, Ontario
M4P1E4

Re: OEB file # EB-2020-0246

I am writing to express my concern about Hydro One's application to eliminate the Seasonal rate class. As a 40year seasonal resident, I have long recognized that the cost to service rural locations is higher than urban hydro accounts.

That said, 68% of my current cottage hydro bill is allocated to delivery and fixed costs. If the Seasonal class is eliminated my delivery cost will almost double.

Even if there is some efficiency in reducing rate classifications, the R2 designation has the most negative financial implications to low usage seasonal customers. In Hydro One's application for the elimination of Seasonal Rate Class, it is clearly identified that the 53% or 77,000 seasonal accounts will transition to Low Density Residential Class resulting in cost increases of 100%. However, the 69,000 other seasonal accounts will transfer to Medium Density Residential Class where the cost increases are expected to be 10% per year. (1)

How can Hydro One put forward a proposal that has such divergent impacts on seasonal users like cottagers?

Given the apparent mandate of the OEB to provide reliable energy to all consumers at fair prices, how can such a strategy be approved by the OEB?

I find it simplistic to solve business cost issues solely by increasing revenues. I would think Hydro One should be asked to have an enterprise wide look at their revenues and costs and come back with a strategy to share any necessary pricing increases in a more equitable way across all users.

The Ontario Government promised a 12% reduction in electricity costs. This initiative will increase my costs by 95% and should be scrapped.

Yours truly

A handwritten signature in black ink, appearing to read 'M. Baumken', written over the typed name.

Mike Baumken



1)Source- Implementation of the OEB Decision to eliminate the Hydro One Seasonal Rate Class- Updated report October 15, 2020