



Milton Hydro Distribution Inc.

2023 Application Customer Summary

Upcoming Changes to Electricity Distribution Rates

At Milton Hydro Distribution Inc. (Milton Hydro) we have applied to the Ontario Energy Board for a change in distribution rates charged to customers effective January 1, 2023. The change in rates will support sustainable growth and innovation, enabling us to provide better services to all customers.

Planning a Brighter Future for Milton Hydro Customers

One of the key factors behind our investment plan was finding ways to effectively meet customers' needs and priorities as the community expands and shifts towards an electric future. Below are some of the ways our investment plan will improve customer experience and overall satisfaction:

Provide frictionless access to information by:



- Developing a new website with clear navigation, useful content, and live-chat with Customer Service
- Launching a new outage notification service that sends outage information via text to affected customers
- Engaging on social media about outages, electrical safety, conservation, support programs and other energy updates
- Improving accessibility to our Customer Service Department by relocating to the first floor

Reduce outage frequency and duration by:



- Investing in distribution automation and smart grid infrastructure
- Building a control room with 24/7 oversight
- Maintaining system performance through proactive replacement and refurbishment of aging poles, transformer and wires

Keep safety as a top priority by:



- Equipping field crews with better technology, tools, trucks and equipment to complete work, especially during extreme weather events
- Proactively assessing infrastructure and assets for hazards
- Investing in Information Technology to defend against cyber security threats and to mitigate system disturbances related to cyber security breaches

Prepare for the transformation of the grid by:



- Investing in new software systems and smart devices
- Supporting the electrification of transportation
- Empowering a skilled team of industry experts to manage the grid and growth in customer base
- Supporting the facilitation of Distributed Energy Resources and Net/ Virtual Metering
- Creating process innovations using Lean Six Sigma methodology

About Milton Hydro

368 sq. km.

of service area Milton Hydro provides electricity distribution

42,000

residential, commercial and industrial customers

70%

of customers signed up for eBilling

100%

municipally owned by the Town of Milton and incorporated under the Ontario Business Corporations Act



Investing in a Future-Ready Milton Hydro

There are many benefits to the customer experience that will come from a distribution rate change; however, there is an additional cost to customers for implementing those improvements.

For background, distribution rates are based on the following:

- Amount of capital investments made by Milton Hydro
- Cost to operate and maintain the capital investments
- Cost to run its distribution business
- Regulated return on equity

The impact to Milton Hydro residential and small business (GS < 50 kW) customers for the 2023 proposed rates compared to the 2022 rates is:

Rate Class	kWh usage	Total Bill Impact	
		\$	%
Residential	750	\$ 5.32	4.18%
GS < 50 kW	2,000	\$ 3.92	1.22%

This reset in rates will enable us to scale resource requirements to a large distributor level. With over 42,000 customers, we are now considered a large distributor, however our resourcing has been scaled to the level of a small distributor (under 30,000 customers). We are making investments in enhanced resources, capabilities and technologies to provide a great service experience for our customers as we continue to keep pace with innovation, growth and increasingly complex demands of the market. We are powered by purpose to deliver on our goals in creating a sustainable future.

The full Application can be found on our website at www.miltonhydro.com.