

NOTICE OF A RATE HEARING

The Ontario Energy Board is commencing a hearing to review the cost of capital rate-regulated electricity and gas utilities can recover through rates.

The Ontario Energy Board (OEB) is commencing a hearing on its own motion to consider the methodology for determining the values of the cost of capital parameters and deemed capital structure to be used to set rates for electricity transmitters, electricity distributors, natural gas utilities, and Ontario Power Generation Inc. The methodology for determining the OEB's prescribed interest rates and matters related to the OEB's Cloud Computing Deferral Account will also be considered, including what type of interest rate, if any, should apply to this deferral account.

The outcome of the hearing will affect the rates that customers – including residential and business customers – pay for electricity and gas service.

The OEB annually publishes its approved cost of capital parameters on its website. The OEB last reviewed its cost of capital methodology in 2009 through its *Report of the Board on the Cost of Capital for Ontario's Regulated Utilities*, December 11, 2009 (EB-2009-0084). An OEB staff report (Staff Report) regarding a review of the cost of capital policy was published on January 14, 2016 (EB-2009-0084). OEB staff concluded in the Staff Report that the methodology adopted in late 2009 had worked as intended.

When the OEB reviews a cost-based rates application, many costs and inputs are included in that review. The cost of capital is only one of those costs. In any given year, about 10-20% of Ontario's utilities apply for such a cost-based review.

YOU SHOULD KNOW

There are three types of OEB hearings: oral, electronic and written. The OEB plans to hold an oral hearing with details to be determined later.

During this hearing, we will hear questions and arguments from participants. After the hearing, a decision will be made regarding whether changes should be made to the OEB's current approach to determining the allowable cost of capital for utilities. Utilities, customers, and other interested stakeholders may wish to participate in the hearing.

HAVE YOUR SAY

You have the right to information about this hearing and to participate in the process. Visit www.oeb.ca/notice and use file number **EB-2024-0063** to:

- File a letter with your comments
- Apply to become an intervenor

IMPORTANT DATES

On or before **March 25, 2024**:

- Rate-regulated utilities that wish to participate in this proceeding must notify the OEB
- Other stakeholders that wish to participate must apply to be an intervenor

If you do not, the hearing will move forward without you, and you will not receive any further notice of the proceeding.

PRIVACY

If you write a letter of comment, your name and the content of your letter will be put on the public record and the OEB website. If you are a business or if you apply to become an intervenor, all the information you file will be on the OEB website.

LEARN MORE

Ontario Energy Board

☎/TTY: 1 877-632-2727

🕒 Monday - Friday: 8:30 AM - 5:00 PM

🌐 oeb.ca/notice

This hearing will be held under sections 36, 78 and 78.1 of the **Ontario Energy Board Act, 1998**.

Ce document est aussi disponible en français.



Ontario
Energy
Board