



February 6, 2025

VIA RESS

Dear Mr. Bartlett,

Thank you for your letter regarding our rate application (EB-2024-0039) to the Ontario Energy Board. Your feedback is important, and we appreciate the opportunity to address your concerns.

We recognize that rising living costs affect many households, and we note your concern about service and the financial impact of increases in essential services. Affordability is a key factor in our decision-making process as we strive to maintain a safe, reliable, and sustainable electricity distribution system.

The portion of your bill affected by this application is the **distribution charge**, which constitutes approximately 25% of the total bill. This charge covers the maintenance, operation, and necessary upgrades to our infrastructure to ensure continued reliable electricity service. Since merging in the Parry Sound distribution area, we have made significant investments in the system to improve its reliability. It would not be financially viable to increase costs and associated rates to house additional staff and equipment for power outages that are infrequent. The regulatory and financial framework under which we operate does not allow us to offset these costs with tax dollars. Our rates are regulated by the Ontario Energy Board, which ensures that any increases are necessary, fair, and in the public interest.

We acknowledge that even small increases can pose challenges for customers. Programs such as the Ontario Electricity Support Program (OESP) and the Low-Income Energy Assistance Program (LEAP) are available to help reduce electricity-related costs for those experiencing financial difficulty. For more information or assistance with accessing these programs, please contact us at 705-789-5442.

Your concerns are important, and we remain committed to considering the needs of our customers as part of this application process. Thank you once again for your input.

Respectfully,

A handwritten signature in black ink, appearing to read "U. Litschko", written over a horizontal line.

Chris Litschko, CEO