



Registrar
Ontario Energy Board
27th Floor
2300 Yonge Street
Toronto, ON
M4P 1E4

via Regulatory Electronic Submission System (RESS)

July 24, 2025

Dear Mr. Murray,

**Re: Electricity Distribution License ED-2003-0004
Burlington Hydro Inc.
2026 Cost of Service Application for Electricity Distribution Rates (EB-2025-0051)**

Pursuant to Rule 23 of the OEB's Rules of Practice and Procedure, please find attached Burlington Hydro's response to the Letters of Comment dated May 13/14/20/23/26 of 2025. Please do not hesitate to contact us if you have any questions.

Sincerely,

Sally Blackwell
EVP and CFO
Email: sblackwell@burlingtonhydro.com
Tel: 905-336-4373

cc. Daliana Coban and Charles Keizer, Torys LLP
Adam Pappas
All Intervenors

Re: Burlington Hydro Inc.'s 2026 Cost of Service Application (EB-2025-0051)

Burlington Hydro would like to respond to the nineteen Letters of Comment submitted to the Ontario Energy Board (OEB) with respect to the residential rate increase proposed for January 1, 2026 in Burlington Hydro's Cost of Service Rate Application ("the Application"). We value all customer feedback and appreciate the time that our customers took to submit their comments.

Many of the customers who submitted a Letter of Comment expressed concern that Burlington Hydro is proposing an increase to residential rates at this time, and that Burlington Hydro has failed to demonstrate why the increase is justified and necessary. The proposed residential rate increase in January 2026 is the result of careful planning to address and appropriately balance the needs and preferences of our customers, our distribution system requirements, and public policy obligations. The record to date includes over 2,300 pages of detailed pre-filed written evidence. Testing of this Application will undergo an extensive public process which will involve eight intervenors representing the interests of consumers and other parties that were deemed by the OEB to have a substantial interest in the Application.

Burlington Hydro submits this type of application - a Cost of Service Application - to the OEB once every five years on average. Our last Cost of Service Application was in 2021. Since that time, we have increased distribution rates annually at around the rate of inflation. While past rate increases have been adequate to maintain and renew aging infrastructure, Burlington Hydro has identified that an increase in residential rates beyond inflation is required next year to continue to safely and reliably distribute electricity. Burlington Hydro's capital and operating plans are focused on the following activities and customer outcomes:

- Address declining reliability, due to the failure of aging infrastructure, through increased asset renewal and refurbishment. A large percentage of our distribution infrastructure (e.g. poles, transformers, overhead wire and underground cable) was installed in the 1980s and requires replacement over the next five years.
- Ensure our distribution system is prepared for the impacts of climate change through strategic asset renewal and complementary grid hardening efforts. BHI's SCADA Replacement and ADMS Acquisition is critical to facilitating these goals, as well as achieving federal, provincial and municipal Net Zero goals described below. Our business case and rationale for the SCADA Replacement and ADMS Acquisition is provided on page 50 of Exhibit 2 of our Application.

- Address Net Zero goals through the Energy Transition and Electrification. Canada has an economy-wide goal by 2050, and net zero electricity system and EV adoption by 2035 require significant changes, including investments in green technologies and infrastructure.
- Ensure our distribution system can meet the demands of public policy changes (e.g. More Homes Built Faster Act, 2022), including with respect to the rapidly evolving housing needs in Burlington.
- Accommodate third-party requests related to infrastructure renewal and expansion projects (e.g. road widening, electrification of the GO-Corridor) that require Burlington Hydro to relocate its existing infrastructure.
- Address increases in operational costs required to ensure the safe and reliable distribution of electricity such as tree trimming, locating services, and asset inspections and testing.
- Incorporate technological changes including addressing increased cyber security risk and supporting the development and integration of Artificial Intelligence initiatives.

To mitigate these increases, Burlington Hydro strives to find efficiencies and explore alternative cost-savings measures. Our capital and operating costs for the last five years have been 10% less than those predicted for an LDC our size. Burlington Hydro's process and operational improvements, and customer-focused innovation initiatives are identified on pages 108-111 of Exhibit 1 of our Application.

Burlington Hydro engaged customers throughout the development of its 2026 business plan to inform and solicit feedback on the proposals being considered and associated outcomes expected. From March to September of 2024, we gathered feedback from more than 3,500 residential, small business and commercial customers through its customer engagement efforts. Customers were presented with the overall bill impact of our proposed 2026 business plan, with more than 70% rating the planned spending levels as appropriate.

More information on our Application can be accessed on our website at:

[Burlington Hydro - Distribution Rates and Charges.](#)

The OEB will only approve an increase to distribution rates if Burlington Hydro can provide adequate evidence to support the capital and operating costs that are contributing to the increase. The various intervenor groups, made up of experts who act on behalf of customers, will also review the Application and may challenge the proposed rate changes.

Burlington Hydro understands the financial pressures that some households continue to face due to cost of living increases, and that the costs of electricity are included in those concerns. It is aware of the challenges of a fully fixed distribution charge for residential customers, particularly those who use less than the Ontario average of 750 kWh per month.



Although Burlington Hydro bills for the entire cost of your electricity, we only control and keep the part of your payment that covers distribution (approx. 26% of the total bill). The rest goes to pay for generation, transmission, and other costs not associated with Burlington Hydro's distribution system. Ontario's Independent Electricity System Operator (the IESO) manages these costs, including the sale of electricity within Ontario and to the U.S.

For customers most impacted, there is assistance available for individuals and families to pay their electricity bills such as the Ontario Electricity Support Program (OESP), the Low-Income Energy Assistance Program (LEAP), the Affordability Fund Trust (AFT) and the Ontario Energy Rebate (OER). More details on these programs can be provided by contacting one of our Customer Service Representatives. The Save on Energy Program offers other energy-savings opportunities for households – please visit <https://www.saveonenergy.ca/> for more information.

In addition, eligible customers are now able to choose between Time-of Use, Ultra Low Overnight and Tiered electricity rates, which make up 44% of the average residential electricity bill. These rates are set by the OEB bi-annually. Depending on how and when you use electricity, changing your electricity price plan may save you money on your electricity bill. More information is available on our website at:

[Burlington Hydro - Electricity Price Plans](#)

We would like to thank our customers again for their comments and encourage them to contact us with any further questions or concerns.