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From: Ontario Energy Board <webmaster@oeb.ca>
Sent: Wednesday, May 20, 2026 11:00 AM
To: Office of the Registrar <Registrar@oeb.ca>
Subject: Redacted - Letter of Comment - EB-2026-0129

-- Name --
Jason Dacosta

-- Do you reside in the impacted service area? -- Yes

-- Comments --

As a Toronto resident, property owner, and customer of Toronto Hydro, I am writing to object to Toronto Hydro's request for a 25% "Margin-on-Payments" incentive. While I support moving toward smarter "Non-Wires" solutions, the proposed maximum 25% markup on pass-through operating expenses is lacks credibility or commercial judgement, and violates the "just and reasonable" rate standard under Section 78 of the OEB Act.

From a practical business perspective, this proposal raises 3 red flags that the Board must force Toronto Hydro to defend:

(1) Markup on a Pass-Through Expense. A 25% cost-plus markup is excessive. Toronto Hydro is essentially asking for commissions just to clear payments to third parties. They assume no asset risk, yet want to turn a standard operating expense and cost-saving exercise into a profit center.

(2) Paying a Premium for "Basic Duty." Toronto Hydro already has a statutory mandate and a Standard of Prudence to run the electrical grid cost-effectively. Choosing a cheaper non-wire alternative over an expensive construction project isn't extraordinary, rather its literally their job. Ratepayers should not have to pay a 25% premium just to incentivize a monopoly to follow their contract obligations.

(3) Eroding Savings. The goal of these alternatives is to save the system money. Taking a 25% premium off the top line significantly shrinks the net benefit that was designed to lower costs and fees. 100% of these efficiency savings measures should be given back to the customers funding the monopolistic infrastructure, not to shareholder bonuses.

(4) The OEB's policy framework establishes 25% as the ceiling, not the starting point AND it is not a guaranteed entitlement. Toronto Hydro has provided no accessible market-specific math to prove they need the maximum premium for making prudent business decisions.

I urge the Board to reject this egregious and risk-free 25% markup fee and protect Toronto Hydro customers from an unnecessary billable premium.

-- Was AI used for the letter of comment? -- No