

## Decision on Festival Hydro's Major Rates Application

On November 12, 2024, the Ontario Energy Board (OEB) issued its Decision and Order on Festival Hydro Inc.'s (Festival Hydro) application to change the rates it charges for electricity distribution.

The OEB approved the settlement proposal agreed upon Festival Hydro and by intervenors in the hearing. The OEB concluded that implementation of the settlement proposal will result in reasonable outcomes for both Festival Hydro and its customers.

As a result of this Decision and Order, the estimated total bill impact for a typical residential customer with a monthly consumption of 750 kWh will be an increase of \$1.07 or 0.78% per month before taxes and the Ontario Electricity Rebate, beginning January 1, 2025

Key elements of the OEB-approved settlement proposal include the following reductions relative to the amounts requested in Festival Hydro's application:

- A \$884k reduction (11.7%) in the 2025 capital expenditures budget, resulting in a revised budget of \$6.3M
- A \$1.25M reduction (13.3%) in the 2025 Operations, Maintenance & Administration budget, resulting in a revised budget of \$8.2M
- A \$1.4M reduction (8.3%) to the 2025 base revenue requirement, resulting in a revised revenue requirement of \$14.9M

## INTERVENORS

Intervenors are individuals or groups who have permission to participate in a hearing before the OEB because they have a substantial interest in the proceeding. The Association of Major Power Consumers in Ontario, Energy Probe Research Foundation, School Energy Coalition, and Vulnerable Energy Consumers Coalition were intervenors in this proceeding.

## ABOUT THE OEB

The OEB is the independent regulator of Ontario's electricity and natural gas sectors. It protects the interests of consumers and supports the delivery of clean, reliable and affordable energy for the people, farms and businesses of Ontario. Its goal is to deliver public value through prudent regulation and independent adjudicative decision-making which contributes to Ontario's economic, social and environmental development. You can learn more about the OEB at [oeb.ca](https://www.oeb.ca).

Independence in the hearing and determination of matters is a key element of the OEB's mandate, established through legislative structures, the [Memorandum of Understanding](#) between the Minister of Energy and Electrification and the Chair of the OEB, and by-laws that set out clear lines of communication between government and the OEB. Commissioner panels hear and determine matters independently, with legislative protections and other instruments to ensure decisions are free from interference by the CEO, the Board of Directors and government. This also includes the Chief Commissioner when not assigned to the specific case.

## **Contact Us**

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*Ce document est aussi disponible en français.*

*This Backgrounder was prepared by OEB staff to inform Ontario's energy consumers about the OEB's decision and is not for use in legal or regulatory proceedings. It is not part of the OEB's reasons for decision; those may be found in the Decision and Order issued November 12, 2024, which is the official OEB document.*