

**Ontario Energy Board**  
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**Commission de l'énergie de l'Ontario**  
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**BY EMAIL:** [michael.lyle@ieso.ca](mailto:michael.lyle@ieso.ca)

January 8, 2025

Michael Lyle  
General Counsel and Vice-President,  
Legal Resources and Corporate Governance  
Independent Electricity System Operator (IESO)  
120 Adelaide Street West, Suite 1600  
Toronto, ON. M5H 1T1

Dear Mr. Lyle:

**Re: Refund of \$363,226 to Orangeville Hydro Limited for GA Underbilling Error**

We are writing in regard to a Global Adjustment (GA) underbilling error regarding Orangeville Hydro Limited (OHL). This letter provides direction to the IESO to refund OHL for an amount in relation to an Assurance of Voluntary Compliance (AVC) filed by OHL.

As detailed in AVC EB-2024-0275, filed on December 19, 2024, (a copy of which is attached to this letter) OHL failed to notify the IESO that five of its customers had elected to become Class A customers by the June 15, 2017 deadline (all five met the criteria for Class A opt-in). As a result, the IESO was unaware that OHL had any class A customers, and therefore billed OHL the GA based on the kWh consumption of the five customers as if they were Class B customers. OHL billed the five customers for GA based on their respective peak demand factors as though they were Class A customers for July and August 2017, resulting in a loss adjusted GA billing discrepancy of \$363,226 (that is, an overpayment by OHL to the IESO).

In the AVC, OHL acknowledged its error, committed for future adjustment periods to provide the necessary customer data in respect of customers opting in to Class A to the IESO within the IESO's submission window, and agreed to pay a monetary penalty. In the particular circumstances of this case, the OEB agrees with OHL that it should recover the \$363,226 from the IESO, despite the two-year limitation period on GA resettlement and the fact that the utility made an error. As

the AVC notes, the financial impact of the error on a small utility is significant, and OHL brought the error to the OEB's attention in the first rate case after it was discovered.

Accordingly, the OEB directs the IESO to credit to OHL the amount of \$363,226 under section 36.1.1(7)(c) of the *Electricity Act, 1998*. OHL has agreed to forgo any interest on this amount.

Should you have any questions or require further information, please do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Brian Hewson', with a long horizontal line extending to the right.

Brian Hewson  
Vice President, Consumer Protection & Industry Performance  
Ontario Energy Board

Attach: Copy of AVC EB-2024-0275

c.c. Lia Kasic, Director, Settlements – Corporate Services - [Lia.Kasic@ieso.ca](mailto:Lia.Kasic@ieso.ca)