

Decision on Tillsonburg Hydro's Major Rates Application

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

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

As a result of this Decision and Rate Order, the estimated total bill impact for a typical residential customer with a monthly consumption of 750 kWh will be an increase of \$7.18 or 5.88% per month before taxes and the Ontario Electricity Rebate, beginning November 1, 2024.

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

- A \$208k reduction (10%) in the 2024 capital expenditures budget, resulting in a revised budget of \$1.87M
- A \$60k reduction (1.83%) in the 2024 Operations, Maintenance & Administration budget, resulting in a revised budget of \$3.21M
- A \$217k reduction (3.8%) to the 2024 base revenue requirement, resulting in a revised revenue requirement of \$5.44M

This was the first proceeding in which the OEB piloted a new adjudicative process for very small utilities (the VSU pilot) announced by the OEB on [March 28, 2024](#). The VSU pilot seeks to reduce the regulatory burden associated with filing and reviewing major rate applications for electricity distributors with fewer than 5,000 customers.

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. Energy Probe Research Foundation 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.

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.

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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 Rate Order issued November 12, 2024, which is the official OEB document.