

**From:** [BoardSec](#)  
**To:** [REDACTED]  
**Cc:** [Harold Thiessen](#); [Sylvia Kovesfalvi](#)  
**Subject:** FW: Letter of Comment Submission - London Hydro - File # EB-2016-0091  
**Date:** October 31, 2016 1:19:29 PM

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**From:** Chris Butler [mailto:butler.chris@sympatico.ca]  
**Sent:** October-31-16 11:53 AM  
**To:** BoardSec  
**Subject:** Letter of Comment Submission - London Hydro - File # EB-2016-0091

Please file the comments and recommendations below for the upcoming OEB / London Hydro rate increase hearing Nov 15 - 6:30 meeting at London Central Library .. Please advise & confirm this is all you need to cover the submission.

**COMMENTS :**

The proposed fixed cost rate increase of \$4.06 per month per residential account ( meter ) is a 24 % increase which can only net out at the \$1.13 per month average increase communicated by London Hydro & the OEB if that customer uses more than 750 KWHr per month of electricity to take advantage of the volumetric discount offered in the rate structure . This proposed cost increase unfairly targets small account customers like apartments - condo owners as well as all households who already have a strong record of energy conservation like seniors and the already energy poor.

London Hydro sells one product in one city and should be demonstrating greater leadership in both controlling their fixed costs ( up 5.5 % per customer 2014-15 per your OEB Scorecard ) and in developing a cost increase proposal/ structure which is more fairly balanced with proportional increases across all of its customer base and respects or rewards conservation ; not the heavier users over the typical household of 750 KWHr per month. This sends the wrong message in London.

**RECOMMENDATIONS;**

1. Challenge London Hydro's commitment to internal cost controls to reduce/ limit the fixed cost increases to around the level of inflation ( 2.5 % per year max - not the 5 % in the proposal) . This challenge should also extend to asking London Hydro to publish the scope of and results and effectiveness of it's cost control program ( such as Continuous Improvement - 6 Sigma ) for customer transparency.
2. Whatever " Fixed Cost " increases this hearing settles up on awarding London Hydro should be time phased in **annually** by the OEB to negate the impact of a one(1) time 24 % increase - May - 2017. If that's the prior practice of OEB 5 year awards that process needs to be challenged / reset - any business 101 procedure will support time phasing these increases !

3. Strongly recommend that London Hydro be sent back to the drawing board to craft a set of Fixed Cost Increase + Volumetric Rate discounts which can be applied more fairly balanced on a proportional basis across all of it's customer base respecting smaller accounts and those committed to energy conservation. If this goes through as proposed , this will only drive more people into the O.E.S.Program which all other marginal users now pay for in the " delivery to you billing line " and that's not the direction we should be going.

Submitted BY Chris Butler -

