



Tillsonburg Hydro Inc.

**Application for electricity distribution rates beginning
May 1, 2024.**

**DECISION ON INTERIM RATES
April 10, 2024**

On March 8, 2024, Tillsonburg Hydro Inc. (Tillsonburg Hydro) filed a letter with the Ontario Energy Board (OEB) advising that it intended to file a cost-of-service application, under section 78 of the *Ontario Energy Board Act, 1998*, seeking approval for changes to the rates that Tillsonburg Hydro charges for electricity distribution, to be effective May 1, 2024. Tillsonburg Hydro further indicated that it expected the application to be filed shortly before April 30, 2024. As a result, Tillsonburg Hydro requested that its distribution rates be made interim, effective May 1, 2024, in order to preserve the OEB's ability to choose an appropriate effective date for Tillsonburg Hydro's new rates once they are determined.

The adjudication of a cost-of-service application takes time. This is why the OEB provides notice to electricity distributors of the deadline by which cost-of-service applications for 2024 rates are expected to be filed. Tillsonburg Hydro's deadline, given that it is seeking an effective date of May 1, 2024, was August 31, 2023.

The OEB notes that in the 2018 cost-of-service application filed by PUC Distribution Inc., the OEB denied the utility's request for interim rates, citing that the application was filed one month prior to the requested effective date.¹ In that instance, PUC Distribution's delayed filing did not give the OEB sufficient time to process the application in time for rates to be effective for May 1, 2018, and, therefore, the OEB did not declare the utility's current rates interim.

¹ EB-2017-0071, Decision on Interim Rates, May 1, 2018.

The OEB has concerns with the expected late filing of Tillsonburg Hydro's application. In this case, the delay is not days or even weeks, but more than six months. Because of the lengthy delay in filing this application, the OEB will not grant interim rates to Tillsonburg Hydro at this time. Further, given the extensive availability of regulatory experts in the industry, the OEB is not persuaded by Tillsonburg Hydro's argument of resource shortages as an adequate enough reason for the extensive delay in filing its cost-of-service application. This decision does not preclude the consideration of declaring rates interim for a future date, once the OEB has determined the procedural steps for hearing the application.

The OEB also reminds Tillsonburg Hydro that in order for its application to be accepted by the OEB for consideration, it must be filed by April 30, 2024. Section 2.0.6 of the Chapter 2 Filing Requirements states "[l]ate applications filed after the commencement of the rate year for which the application is intended will not be accepted by the OEB."² Section 2.0.6 provides further explanation of the consequences of failing to file an application before the commencement of the rate year.

DATED at Toronto, April 10, 2024

ONTARIO ENERGY BOARD

Nancy Marconi
Registrar

² 2.0.6 (Late Filing of Cost of Service Application) in Chapter 2 of the [filing requirements for electricity distributors](#)