



Ontario | Commission  
Energy | de l'énergie  
Board | de l'Ontario

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# **DECISION AND ORDER**

**EB-2025-0085**

**LONDON HYDRO INC.**

**Application to extend the approval to provide certain Green Button services to April 30, 2027**

**BEFORE: Patrick Moran**  
Presiding Commissioner

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**March 25, 2025**



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## 1 CONTEXT AND DECISION

Pursuant to s. 71 of the OEB Act, a distributor is not permitted to carry out business activities not related to the distribution of electricity, except through an affiliate. The OEB can exempt a distributor from this prohibition under s. 71(4) of the OEB Act if special circumstances exist to warrant doing so.

In EB-2018-0118, London Hydro Inc. first applied for such an exemption to allow it to provide certain Green Button services directly rather than through an affiliate. The OEB was satisfied that sufficient special circumstances existed and approved the exemption with an expiry date of May 1, 2022.

In EB-2021-0041, as part of its cost of service application, London Hydro sought an extension of that expiry date. The OEB accepted a settlement proposal that included an extension of the expiry date to April 30, 2025, on the basis that special circumstances to warrant the exemption continued to exist.

London Hydro has now applied for a further two-year extension of the expiry date, based on a proposed addendum it developed in conjunction with the parties to the original settlement proposal. London Hydro proposes to continue providing Green Button services, limited to the three customers currently receiving those services, for two more years. London Hydro has also applied for approval to establish a Green Button Net Revenue Deferral Account for 2025 and 2026, with 60% of the net revenue from the services to be disposed of to the credit of ratepayers at London Hydro's next cost of service.

### Findings

The OEB is satisfied that special circumstances sufficient to warrant an extension of the exemption continue to exist. The OEB accepts the addendum, as attached in Schedule A, and approves a new expiry date of April 30, 2027, along with the proposed accounting order, as attached in Schedule B.<sup>1</sup>

The OEB is disposing of this proceeding without a hearing, pursuant to s. 21(4) of the OEB Act. London Hydro has consented to this, and it is clear that no other person will be adversely affected by the outcome of this proceeding. The three customers currently receiving the Green Button Services will be able to continue to do so and London Hydro has developed the addendum in conjunction with the parties to the original settlement

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<sup>1</sup> In a letter dated March 13, 2025, London Hydro confirmed that it would use sub-accounts of USofA Account 1508 to record the variances.

proposal. Ratepayers will receive the benefit of 60% of net revenues received from the three Green Button customers.

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## 2 ORDER

### THE ONTARIO ENERGY BOARD ORDERS THAT:

1. London Hydro Inc.'s application to extend its authorization under section 71(4) of the *Ontario Energy Board Act, 1998* to carry on certain Green Button services other than through an affiliate is granted, subject to the following conditions:
  - (a) The authorization expires on April 30, 2027;
  - (b) London Hydro Inc. shall establish a Green Button Net Revenue Deferral Account that will track the actual net revenue from the Subject Customers over the 2025 and 2026 calendar years, with 60% of that actual net revenue to be disposed of to the credit of London Hydro Inc.'s distribution customers in its next cost of service proceeding;
  - (c) London Hydro Inc. shall not seek any further exemption relating to carrying out Green Button-related services that are non-distribution-related activities under s. 71(4) of the *Ontario Energy Board Act, 1998* beyond April 30, 2027.
2. The accounting order set out in Schedule B is approved.

**DATED** at Toronto March 25, 2025

**ONTARIO ENERGY BOARD**

Nancy Marconi  
Registrar

**SCHEDULE A**  
**DECISION AND ORDER**  
**APPROVED ADDENDUM**  
**LONDON HYDRO INC.**  
**EB-2025-0085**  
**MARCH 25, 2025**

**EB-2021-0041**

**IN THE MATTER OF** the Ontario Energy Board Act, 1998,  
S.O. 1998, c.15, (Schedule B);

**AND IN THE MATTER OF** an application by  
London Hydro Inc.  
For an order approving just and reasonable rates and  
Other charges for electricity distribution beginning  
May 1, 2022.

**London Hydro Inc.**

**Addendum to the Settlement Proposal original filed on January 31, 2022**

Filed: February 10, 2025

## **Introduction**

This is an addendum (the “Addendum”) to the settlement proposal approved by the OEB on February 24, 2022 (the “Settlement Proposal”). The Settlement Proposal is attached as Schedule A to this Addendum.

The parties to this Addendum (the Parties) include the following entities, which includes all the parties to the original Settlement Proposal:

London Hydro Inc. (LHI)  
School Energy Coalition (SEC)  
Vulnerable Energy Consumers Coalition (VECC)  
Consumers Council of Canada (CCC)  
London Property Management Association (LPMA)  
Environmental Defence  
Chippewas of Kettle and Stony Point First Nation with Southwind Development Corporation (CKSPFN - Southwind)

The Parties have agreed to provide for an addendum to the original Settlement Proposal, specifically in connection with issue 5.4, which reads as follows:

*Is London Hydro’s request for an extension to the exception granted to it under section 71(4) of the OEB Act to carry out certain Green Button related services that are non-distribution related activities appropriate?*

## **The Addendum**

The addendum to the resolution of issue 5.4 is as follows:

Notwithstanding the agreement under issue 5.4 in the Settlement Proposal to extend the exemption under s. 71(4) of the OEB Act from May 1, 2022, to April 30, 2025, the Parties agree to a further extension to the exemption under s. 71(4) of the OEB Act from May 1, 2025, to April 30, 2027, in respect of the following 3 customers that currently receive Green Button services from LHI (the “Subject Customers”):

- a) Big Data Energy Services;
- b) City of Waterloo; and
- c) Nova Scotia Power.

LHI shall not seek a further exemption relating to carrying out Green Button related services that are non-distribution related activities under s. 71(4) of the OEB Act beyond April 30, 2027.

The Parties further agree that LHI will establish a Green Button Net Revenue Deferral Account that will track the actual net revenue from the Subject Customers over the 2025 and 2026



calendar years, with 60% of that actual net revenue to be disposed of to the credit of LHI's distribution customers in LHI's next cost of service proceeding. A copy of the accounting order for the Green Button Net Revenue Deferral Account is attached as Schedule B to this Addendum.

**SCHEDULE B**  
**DECISION AND ORDER**  
**APPROVED ACCOUNTING ORDER**  
**LONDON HYDRO INC.**  
**EB-2025-0085**  
**MARCH 25, 2025**

## Accounting Order for the Green Button Net Revenue Deferral Account

The following account and sub-account will be established by London Hydro for the period January 1, 2025 to December 31, 2026:

- Account 1508 – Green Button Net Revenue Deferral Account
- Account 1508 – Green Button Net Revenue Deferral Account, Sub-account Carrying Charges

In the Green Button Net Revenue Deferral Account London Hydro will record 60% of the Net Revenue (actual revenue less actual cost) from the Green Button service customers for which Section 71(4) of the OEB Act approval is required. These customers Big Data Energy Services, the City of Waterloo and Nova Scotia Power. Carrying charges will apply at the OEB's prescribed rates for deferral and variance accounts that are published on the OEB's website on a quarterly basis, unless otherwise directed by the OEB.

It is expected that the balance in this account will be disposed of in London Hydro's next Cost of Service application, after which the account will be closed.

### Sample Journal Entries

#### Entry #1

*To record 60% of the actual revenue from Big Data Energy Services, the City of Waterloo and Nova Scotia Power for Green Button services:*

Dr. Revenue Account(s) associated with the Green Button service revenue from Big Data Energy Services, the City of Waterloo and Nova Scotia Power as applicable  
Cr. Account 1508 – Green Button Net Revenue Deferral Account

#### Entry #2

*To record 60% of the actual cost for providing Green Button service to Big Data Energy Services, the City of Waterloo and Nova Scotia Power:*

Dr. Account 1508 – Green Button Net Revenue Deferral Account  
Cr. OM&A Account(s) associated with the Green Button service provided to Big Data Energy Services, the City of Waterloo and Nova Scotia Power as applicable

#### Entry #3

*To record carrying charges on the net monthly opening balance in Account 1508 – Green Button Net Revenue Deferral Account:*

Dr. 6035 Other Interest Expense  
Cr. 1508 – Green Button Net Revenue Deferral Account, Sub-account Carrying Charges