

Decision on Essex Powerline's Major Rates Application

On October 15, 2024, the Ontario Energy Board (OEB) issued its [Decision and Order](#) on Essex Powerlines Corporation's (Essex Powerlines) request to change the rates it charges for electricity distribution effective January 1, 2025.

The OEB approved a partial settlement proposal agreed upon by intervenors¹ and Essex Powerlines and will adjudicate the unsettled matter of the amounts to be included for the forecasted remainder of 2025 PowerShare Distribution System Operator capital additions² by way of written hearing later this fall.

As a result of this Decision and Order (subject to change based on the OEB's determination of the unsettled matter), the estimated total bill impact, including taxes and the Ontario Electricity Rebate, for a typical residential customer with a monthly consumption of 750 kWh, will be a decrease of \$9.09 (or 6.62%) per month for 2025.

Key elements of the OEB-approved settlement proposal include:

- \$675k reduction (6.5%) in the 2025 Operations, Maintenance & Administration budget.
- \$1.59M reduction (16%) of 2025 in-service additions.
- \$1.1M reduction (6.1%) to the 2025 base revenue requirement, resulting in a revised budget of \$17.3M.
- Recovery of \$209k in incremental operating costs arising from the February 2023 ice storm.

The OEB was satisfied that the settlement proposal represents reasonable outcomes for Essex Powerlines and its customers and will enable Essex Powerlines to operate its distribution system safely and reliably.

INTERVENORS

Intervenors are individuals or groups who have permission to actively participate in a hearing before the OEB because they have a substantial interest in the proceeding. Intervenors in this proceeding were: School Energy Coalition, Vulnerable Energy Consumers Coalition and Hydro One Networks Inc.

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 collective advancement of the people of Ontario. Its goal is to deliver public value through prudent regulation and independent adjudicative decision-making which

¹While Hydro One Networks Inc. was an intervenor, it did not participate in the settlement conference and was therefore not a party to the settlement proposal.

² [Issues 7.4 and 7.5 were addressed in the OEB's August 29, 2024 Decision and Order \(EB-2024-0096\)](#)

contributes to the delivery of clean, reliable and affordable energy for the people and businesses of Ontario. 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 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 Order issued [October 15, 2024](#), which is the official OEB document.