



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

BY E-MAIL

May 13, 2019

Maryanne Wilson
Director, Regulatory and Compliance
Oakville Hydro Electricity Distribution Inc.
861 Redwood Square
Oakville ON L6L 6R6
mwilson@oakvillehydro.com

Dear Ms. Wilson:

Re: Application for 2020 Electricity Rates

This letter is in response to your letter expressing an interest to defer Oakville Hydro Electricity Distribution Inc.'s (Oakville Hydro) rebasing of its rates beyond the 2020 rate year.

The Ontario Energy Board (OEB) has reviewed your letter, as well as Oakville Hydro's financial and non-financial scorecard performance from 2013 to 2017. Based on this review, the OEB has concluded that it will not require Oakville Hydro's 2020 rates to be set on a cost of service basis. The OEB will place Oakville Hydro on the list of distributors whose rates will be scheduled for rebasing for the 2021 rate year.

If Oakville Hydro intends to seek a rate adjustment for 2020 rates, the OEB expects Oakville Hydro to adhere to the process for Price Cap Incentive Rate-setting applications for the 2020 rate year.

This is the second year that Oakville Hydro has sought a deferral to filing a cost of service rate application. If Oakville Hydro subsequently seeks a further deferral the OEB will consider whether the Annual Incentive Rate-setting Index method that was developed for distributors intending longer periods without rebasing should be applied. The OEB will also consider whether the filing of a distribution system plan would be required at that time.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary