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BY EMAIL

July 5, 2019

John Stephenson
President and CEO
Peterborough Distribution Inc.
P.O. Box 4125, Station Main
1867 Ashburnham Drive
Peterborough ON K9J 6Z5
jstephenson@peterboroughutilities.ca

Dear Mr. Stephenson:

Re: Application for 2020 Electricity Rates

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

The Ontario Energy Board (OEB) has reviewed Peterborough Distribution's financial and non-financial scorecard performance from 2012 to 2017 and has concluded that it will not require Peterborough Distribution's 2020 rates to be set on a cost of service basis. The OEB's approval of this deferral request is contingent on the outcome of the current proceeding¹ in which leave is being sought to sell the utility. If Peterborough Distribution 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.

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

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

¹ EB-2018-0242