



BY E-MAIL

April 29, 2020

Keith McAllister
CEO
Wasaga Distribution Inc.
950 River Road West, P.O. Box 20
Wasaga Beach ON L9Z 1A2
k.mcallister@wasagadist.ca

Dear Mr. McAllister:

**Re: Application for 2021 Electricity Rates
OEB File No.: EB-2020-0058**

This letter is in response to your letter expressing an interest to defer Wasaga Distribution Inc.'s (Wasaga Distribution) rebasing of its rates beyond the 2021 rate year.

The Ontario Energy Board (OEB) has reviewed Wasaga Distribution's 2018 performance and a forecast of the 2019 performance. As a result, the OEB is granting Wasaga Distribution's request to defer its 2021 cost of service application. The OEB will place Wasaga Distribution on the list of distributors whose rates will be scheduled for rebasing for the 2022 rate year.

If Wasaga 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. Any request for an incremental capital module would need to be supported by evidence on Wasaga Distribution's overall capital plan and how the proposed capital project has been accommodated in that plan, such as through the filing of an update to an existing distribution system plan.

If Wasaga Distribution intends to seek a rate adjustment for 2021 rates, the OEB expects Wasaga Distribution to adhere to the process for Price Cap Incentive Rate-setting applications for the 2021 rate year.

Yours truly,

Original signed by

Christine E. Long
Registrar and Board Secretary

c: Joanne Tackaberry, Director of Finance, j.tackaberry@wasagadist.ca