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VIA E-MAIL AND WEB POSTING

June 23, 2014

To: All Licensed Electricity Distributors

Re: Survey for 2015 Price Cap IR and Annual IR Index Rate Applications

For distributors seeking rate adjustments effective May 1, 2015 under the Price Cap IR or the Annual IR Index application process, the Board will assign electricity distributors into one of three application groupings based on the expected level of complexity of the application. Applications of greater complexity require more time to review and will need to be filed first. Staggering of the applications allows the Board and other stakeholders to appropriately schedule resources to allow for adequate review of the applications.

To assist Board staff in advising the Board, all electricity distributors that are scheduled to file a Price Cap IR or Annual IR Index application for 2015 rates are requested to identify the selected rate-setting approach and whether one or more of the following elements are expected to be included in their application (if applicable to their rate-setting selection) :

- Z Factor claim;
- Incremental Capital Module claim;
- Prudence Review of Smart Meter Costs;
- Lost Revenue Adjustment Mechanism ("LRAM") Variance account disposition;
- Rate Harmonization pursuant to a prior Board decision;

- Renewable Generation and/or Smart Grid Adder request¹;
- Multiple service areas with different rates; and
- Other (please specify).

Distributors filing under the Annual IR Index method, which is intended to provide a rate-setting approach that is simpler and more streamlined than the Price Cap IR method, will be placed in the last grouping.

The deadlines for filing a Price Cap IR or an Annual IR Index application will be determined so that, in the normal course of events, a Decision and Order would be issued in time for a May 1 implementation date. The precise filing dates and the assignment of distributors into each tranche will be identified in a separate communication, expected mid-July, 2014.

Consistent with past years, the deadline for Price Cap IR and Annual IR Index applications for rate adjustments effective January 1, 2015 will be early August, 2014. The date will be confirmed at the time the filing requirements are published, expected in mid-July, 2014.

Please complete a web-based "2015 IRM Application Survey" by clicking <http://2015IRM.questionpro.com> no later than July 4, 2014. If you require further information please contact Birgit Armstrong at (416) 544-5162 or birgit.armstrong@ontarioenergyboard.ca.

Yours truly,

Original Signed By

Birgit Armstrong
Advisor

¹ Applicable only to those distributors that have not yet filed a Chapter 5 Distribution System Plan in a cost of service rate application.