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Commission de l'énergie de l'Ontario
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BY E-MAIL

November 16, 2018

George Armstrong
Vice President, Corporate Services
Veridian Connections Inc.
55 Taunton Road East.
Ajax, ON L1T 3V3

Dear Mr. Armstrong:

Re: Application for 2019 Electricity Distribution Rates

This letter is in response to your letter expressing an interest to defer Veridian Connections Inc.'s (Veridian Connections) rebasing of its rates beyond the 2019 rate year.

The Ontario Energy Board (OEB) has reviewed your letter, as well as Veridian Connections' financial and non-financial scorecard performance from 2012 to 2017. Based on this review, the OEB has concluded that it will not require Veridian Connections' 2019 rates to be set on a cost of service basis. The OEB will place Veridian Connections on the list of distributors whose rates will be scheduled for rebasing for the 2020 rate year, subject to the outcome of the current consolidation proceeding with Whitby Hydro Electric Corporation.¹

If Veridian Connections 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

¹ EB-2018-0236