

## AIRD BERLIS

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February 7, 2019

### BY EMAIL AND FILED VIA RESS

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, Suite 2700  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Niagara-on-the-Lake Hydro Inc. - EB-2018-0056**

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We are counsel to Niagara-on-the-Lake Hydro (NOTL Hydro).

As indicated in our February 4<sup>th</sup> letter, NOTL Hydro agreed to answer follow-up questions from intervenors about the unsettled items in this case.

One of the unsettled items relates to Issue 3.2 (Cost Allocation). On this item, there is no agreement on whether to include the Incremental Capital Module revenue in distribution revenue at current rates in the cost allocation model.

Intervenors asked NOTL Hydro to file updated cost allocation models (inclusive of all items in the Settlement Proposal) showing the outcomes with including, and not including, ICM revenues in revenues at existing rates. Intervenors also asked for a summary table to be filed, showing the impact of each approach.

The requested items are attached to the electronic version of this letter. The documents will also be filed on RESS.

Please contact me should you have any questions.

Yours truly,

AIRD & BERLIS LLP



David Stevens

cc: All parties registered in EB-2018-0056

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