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Newmarket-Tay Power Distribution Ltd.

October 11, 2019

Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON
M4P 1E4

Attention: Christine E. Long, Registrar

Dear Ms. Long:

**RE: Newmarket – Tay Power Distribution Ltd.
Updated Cost Allocation Models
Board File Number: EB-2019-0231**

On September 12, 2019, Newmarket – Tay Power Distribution Ltd. ("NT Power") filed updated cost allocation models and a proposal to align certain customer classes such that the classes are within Ontario Energy Board ("OEB") target bands.

On September 27, NT Power received a letter from the OEB requesting it to file further information in the subject matter. The OEB provided the following direction:

"The OEB also notes that Newmarket-Tay Power is due to file an incentive rate-setting mechanism (IRM) application on November 4, 2019. It is the OEB's expectation that Newmarket-Tay Power will incorporate its cost allocation update and proposal as part of its upcoming IRM application."

NT Power is in agreement with the direction provided and will file the updated cost allocation models and proposal and further information requested as part of the upcoming IRM application. NT Power notes that the updated cost allocation proposal is based on 2018 actuals, while the IRM application will be for a different test year. NT Power will include a proposal on how to incorporate its updated cost allocation proposal as an input into its 2020 IRM.

Yours truly,

A handwritten signature in blue ink, appearing to read "L. Cooleedge".

Laurie Ann Cooleedge, CPA, CMA, CPA
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