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BY EMAIL

December 5, 2019

Alan Morin
Chapleau Public Utilities Corporation
110 Lorne Street South
P.O. Box 670
Chapleau ON P0M 1K0
amorin.puc@chapleau.ca

Dear Mr. Morin:

**Re: Chapleau Public Utilities Corporation
Application for 2020 Rates
Ontario Energy Board File No. EB-2019-0026**

A preliminary review of the application has identified that certain sections of the evidence supporting the application do not comply with the Ontario Energy Board's Filing Requirements¹ for incentive rate-setting applications and/or the associated spreadsheets, models and workforms. As a result, the Ontario Energy Board (OEB) is unable to process Chapleau Public Utilities Corporation's (Chapleau Public Utilities) application at this time. The OEB will commence processing the application after the noted information is filed.

The missing information is noted below:

¹ Chapter 3 of the *Filing Requirements for Electricity Distribution Applications Rate Applications*, dated July 12, 2018 and the Addendum to Filing Requirements For Electricity Distribution Rate Applications - 2020 Rate Applications, dated July 15, 2019

Chapter 3 Filing Requirement Reference (page #)	Description
Addendum Pages 12-13	<p>On February 21, 2019, the OEB issued its letter entitled <i>Accounting Guidance related to Accounts 1588 Power and 1589 RSVA Global Adjustment</i>, as well as the related accounting guidance for Accounts 1588 and 1589. The accounting guidance is effective January 1, 2019 and is to be implemented by August 31, 2019. Distributors are expected to consider the accounting guidance in the context of historical balances that have yet to be disposed on a final basis (including the 2018 balances that may be requested for disposition in this rate application). Further, as part of their 2020 rate applications, distributors are required to provide a status update on the implementation of the new accounting guidance, a review of historical balances, results of the review, and any adjustments made to account balances.</p> <p>Chapleau Public Utilities states² that it has complied with the new accounting guidance and that no adjustments required to Accounts 1588 and 1589. However, Chapleau Public Utilities has not provided the required information in respect of its review of historical balances and resultant adjustments.</p> <p>The Addendum to Filing Requirements For Electricity Distribution Rate Applications - 2020 Rate Applications, dated July 15, 2019 (Addendum), sets out the OEB's expectations regarding final disposition of commodity pass-through account balances.</p> <p>Please provide an update on the status of Chapleau Public Utilities' review of historical balances in Accounts 1588 and 1589. Please describe when the new accounting guidance was implemented, including the effective date of this implementation (i.e. retroactive to which month and year). Please also clarify whether Chapleau Public Utilities is proposing to dispose Accounts 1588 and 1589 on either a final or interim basis. If final disposition is requested, please provide the information per the Addendum.</p>

² Manager's Summary, page 14

	Further, per the approved settlement proposal in Chapleau Public Utilities' 2019 Cost of Service rate application, ³ Chapleau Public Utilities was required to perform a detailed internal review of Account 1588, Account 1589, and its IESO RPP settlement processes, in accordance with the new accounting guidance. Please provide the results of the internal review.
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The OEB expects that Chapleau Public Utilities will file the above listed required information as soon as possible.

If any of the information that is identified as missing is located in sections other than those identified in the Filing Requirements, or if any of the information is not applicable in your circumstances, please provide an explanation when re-filing the application.

Any questions relating to this letter should be directed to Katherine Wang, Advisor, at 416-440-7619 or katherine.wang@oeb.ca. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

Original signed by

Christine E. Long
Registrar and Board Secretary

³ EB-2018-0087, Decision and Rate Order, June 6, 2019, page 6; Settlement Proposal, page 45