

2000 – 10423 101 St NW, Edmonton, Alberta T5H 0E8 Canada **epcor.com**

December 6, 2019

Sent by Electronic Mail, Courier and ESS Electronic Filing

Ms. Kirsten Walli Board Secretary Ontario Energy Board 27-2300 Yonge Street Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: EB-2019-0264: EPCOR Southern Bruce IRM Application.

On April 11, 2019, EPCOR Southern Bruce ("EPCOR") refiled an updated custom incentive ratemaking application (EB-2018-0264) with the OEB under section 36 of the Ontario Energy Board Act, 1998, seeking approval for rates that EPCOR can charge for gas distribution effective January 1, 2019 and for each following year through to December 31, 2028.

On November 28, 2019 the Board issued a Decision and Order settling all outstanding issues (the "**Decision**"). The Board directed (a) that EPCOR file draft rate orders reflecting the Decision by December 11, 2018, (b) Intervenors and OEB staff file any comments on the draft rate order by December 18, 2019; and (c) EPCOR Southern Bruce file responses to these comments by January 10, 2020.

EPCOR's custom ratemaking application included an IR adjustment mechanism that would adjust rates annually. As the Board has determined that EPCOR's rates are effective January 1, 2019, an IRM application is required in order to determine rates effective January 1, 2020. However, as rates for 2019 have yet to be finalized, EPCOR is proposing to delay filing an IRM until such time as those rates have been finalized. This proposed schedule is not anticipated to impact customers as EPCOR is not expecting to connect it first customers to this green field system until later in QI, 2020.

The OEB has issued file number EB-2019-0264 for the IRM application.

If you have any questions regarding the above do not hesitate to contact me.

Sincerely,

Original signed by

Bruce Brandell
Director, Commercial Services
bbrandell@epcor.com
(780) 412-3720

cc: Khalil Viraney, OEB Michael Millar, OEB

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