



Ontario
Energy
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BY EMAIL

December 12, 2019

Susan Reffle
Elexicon Energy Inc. - Whitby Rate Zone
100 Taunton Road East
Whitby, ON L1N 5R8
sreffle@elexiconenergy.com

Dear Ms. Reffle:

**Re: Elexicon Energy Inc. – Whitby Rate Zone
EB-2019-0130 Application for 2020 Rates**

The OEB provided a draft Decision and Rate Order and draft Tariff of Rates and Charges in relation to the above-noted proceeding on December 2, 2019.

On December 10, 2019, the OEB received Elexicon Energy Inc.'s (Elexicon Energy) comments on the drafts. In response to Elexicon Energy's comments, the OEB advises as follows:

1. A change has been made to the draft Tariff of Rates and Charges. The page header has been changed from:

Elexicon Energy Inc.
For The Former Whitby Hydro Rate Zone

To the following:

Elexicon Energy Inc.
For The Whitby Rate Zone
TARIFF OF RATES AND CHARGES

2. The OEB has not accepted Elexicon Energy's request for an amendment to the findings in section 7 of the draft Decision and Rate Order such that it could continue using its revised methodology as opposed to the methodology set out in the OEB's February 21, 2019 letter "Accounting Guidance related to Accounts 1588 RSVA Power, and 1589 RSVA Global Adjustment". In its July 20, 2018 letter "OEB's Plan to Standardize Processes to Improve Accuracy of Commodity Pass-Through Variance Accounts", the OEB stated that standardization of accounting procedures relating to Account 1588 RSVA – Power and Account 1589 RSVA – Global Adjustment would assist in improving the accuracy of commodity pass-through variance accounts. Subsequently, in its February 21, 2019 letter "Accounting Guidance related to Accounts 1588 RSVA Power, and 1589 RSVA Global Adjustment", the OEB reiterated this position on the standardization of accounting procedures. The February 21, 2019 letter also acknowledged that implementing the new accounting guidance may require changes in distributors' current processes, even though current processes result in accurate balances. The OEB stated it "finds it necessary to standardize the requirements on an industry wide basis so that the OEB, distributors' external auditors, and other stakeholders can consistently follow distributors' processes for assessment and review purposes." The OEB notes that this is the situation that currently applies to Elexicon Energy, and that no modifications to the draft Decision and Rate Order in this regard are warranted.

The OEB has now issued a final Decision and Rate Order, together with a final Tariff of Rates and Charges. Copies of these documents are enclosed with this letter.

Yours truly,

Original signed by

Christine E. Long
Registrar and Board Secretary