



February 21, 2020

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
27th Floor/ P.O. Box 2319  
2300 Yonge St.  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: 2020 IRM Electricity Distribution Rate Application,  
Halton Hills Hydro Inc.,  
Board File no. EB-2019-0039**

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Halton Hills Hydro Inc. (“HHHI”) is continuing to review its true-up processes regarding the February 21, 2019 Accounting Guidance on Accounts 1588 & 1589.

HHHI is withdrawing its request for final Group 1 dispositions from proceeding EB-2019-0039, 2020 IRM Rate Application. In its next application for 2021 rates, HHHI will provide the following details:

1. Upon further review of the new accounting guidance dated February 21, 2019, HHHI will provide details to substantiate whether or not there are any issues with its RPP settlement or related accounting processes, quantifying and explaining any additional adjustments required to address such matters, if applicable.
2. HHHI will provide details regarding the adjustments it made to balances, as well as any process changes made, and that HHHI will reflect any adjustments to prior period balances that have not yet been disposed on a final basis as “Principal Adjustments” in the DVA continuity schedule. HHHI will need to reverse these adjustments as additional principal adjustments in the DVA continuity schedule in the year following the initial adjustment.
3. HHHI will provide support for the reconciling items listed on the GA Analysis Workform, as well as addressing:
  - a. Whether there are also any associated impacts on Account 1588; and
  - b. Any principal adjustments that are required to the DVA Continuity Schedule for any of these items, relating to both Account 1588 and Account 1589.
4. HHHI will explain any other process changes identified as a result of its work addressing the items discussed above, as well as other potential issues noted in OEB staff’s questions.



HHHI staff members responsible for completing the questions are currently engaged otherwise in completing its 2019 financial accounting year end.

As part of a discussion with OEB staff, OEB staff accepted HHHI's proposal of deferring the response to the OEB staff questions, and will address these questions in its next application for 2021 rates.

In the event of any additional information, questions or concerns, please contact David Smelsky, Chief Financial Officer, at [dsmelsky@haltonhillshydro.com](mailto:dsmelsky@haltonhillshydro.com) or (519) 853-3700 extension 208, or Tracy Rehberg-Rawlingson, Regulatory Affairs Officer, at [tracyr@haltonhillshydro.com](mailto:tracyr@haltonhillshydro.com) or (519) 853-3700 extension 257.

Sincerely,

A handwritten signature in black ink, appearing to read "D. Smelsky", written in a cursive style.

David J. Smelsky, CPA, CMA, C.Dir.  
Chief Financial Officer, HHHI

Cc: Arthur A. Skidmore, President & CEO, HHHI  
Tracy Rehberg-Rawlingson, RAO, HHHI