

April 17, 2020

Ms. Christine E. Long
Registrar and Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: Welland Hydro-Electric System Corp.
2020 Incentive Rate-Setting Application
Confirmation of Completeness of Draft Tariff of Rates and Charges
EB-2019-0072**

On April 16, 2020 Welland Hydro-Electric System Corp. ("Welland Hydro") received the Decision and Rate Order for its 2020 IRM Rate Application EB-2019-0072.

In light of the COVID-19 emergency the Ontario Energy Board ("OEB") has allowed Distributors to defer the effective date of the Decision and Order from May 1, 2020 to November 1, 2020. The OEB also issued a separate letter on April 16, 2020 Re: Approach to Incentive Rate-setting Decisions for May 1, 2020 which stated "In deciding whether or not to postpone their May 1, 2020 rate change, any distributor that has rate riders expiring on April 30, 2020 will need to consider the change in customer bills that will occur if their new rates are not implemented."

Welland Hydro has reviewed the impacts of deferring its Decision and Order in EB-2019-0072 and has summarized the impacts in Table 1 below. The impact of expiring rate riders on April 30, 2020 provides minimal relief to customers in all rate classes and will have a significantly negative impact on the General Service and Street Light customer classifications.

Table 1

	Current	Decision & Order Effective May 1, 2020			Decision & Order Deferral Effective November 1, 2020			Proposed Decision & Order Deferral Distribution Rates Only Effective May 1, 2020		
	May 1, 2019	Change			Change			Change		
RATE CLASSES / CATEGORIES	Total bill \$	Total bill \$	\$	%	Total bill \$	\$	%	Total bill \$	\$	%
RESIDENTIAL - RPP	115.30	116.48	1.18	1.02%	116.46	1.16	1.00%	116.06	0.76	0.66%
GENERAL SERVICE LESS THAN 50 KW - RPP	283.87	286.37	2.50	0.88%	286.80	2.92	1.03%	285.57	1.69	0.60%
GENERAL SERVICE 50 to 4,999 kW - Non-RPP	5,065.28	5,100.69	35.41	0.70%	5,213.22	147.95	2.92%	5,090.76	25.49	0.50%
UNMETERED SCATTERED LOAD - RPP	27.74	28.11	0.37	1.35%	28.03	0.29	1.05%	27.94	0.20	0.72%
SENTINEL LIGHTING - RPP	19.67	19.93	0.26	1.31%	19.91	0.24	1.22%	19.83	0.16	0.82%
STREET LIGHTING - Non-RPP	3.36	3.41	0.05	1.46%	3.47	0.10	3.03%	3.40	0.04	1.05%
RESIDENTIAL - RPP - 10th Percentile	63.10	63.84	0.74	1.18%	63.60	0.50	0.79%	63.43	0.33	0.52%

As a result, Welland Hydro is requesting that the Decision and Order effective May 1, 2020 be revised to defer increases in Distribution Rates and Charges (both Monthly Service Charges and Volumetric Rates) until November 1, 2020. As can be seen in Table 1 above, this will result in reduced bill impacts across all customer classes. In addition, deferring the rate riders with effective dates of May 1, 2020 to November 1, 2020 will result in two separate bill impacts in the 2021 IRM Rate Application. Rate riders are for a one year period and will expire October 31, 2021 if they are deferred resulting in the second change in rates during the 2021 IRM rate period. The majority of remaining bill impacts in the 2020 IRM Rate Application are the result of increases in Retail Transmission Charges (both Network Service and Line & Transformation Connection) which are for the most part not within the control of a Distributor.

Welland Hydro has already provided relief to customers during the COVID-19 emergency by temporarily waving service charges for Late Payment fees and Returned Cheques along with the many other relief measures implemented by the OEB. This request is to further assist Welland Hydro's valued customers during these difficult times.

Thank you for your consideration in this matter.

Yours very truly,



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