

Ontario Energy Board P.O. Box 2319, 27th Floor 2300 Yonge Street Toronto, ON M4P 1E4

April 22, 2020

Re: Chapleau Hydro Inc. - COVID-19 Rate Implementation Option

Dear Ms. Walli:

This letter is in response to a communication received from OEB on April 16th, 2020, regarding the implementation of Incentive Rate-setting Decisions for May 1st, 2020 Rates.

In its letter, the OEB offered LDCs scheduled to adopt new rates on May 1st, 2020, the alternatively of postponing its implementation of rates to November 1st, 2020. LDCs opting to defer the implementation of their May 1st rates to November 1st rates would track its temporarily foregone revenues in an OEB established deferral account as per the Accounting Order issues March 25th, 2020.

Chapleau Hydro has evaluated the effects of this alternative on both its utility and customers and has opted to implement its rates May 1st as initially scheduled. Chapleau Hydro feels that by implementing rates, which may include potential foregone revenues, in November, when consumption typically increases with the change in season and time of use rates could potentially create a greater financial burden to its customer given the many uncertainties surrounding the COVID-19 situation.

Please feel free to contact me at the information below should you have any questions or concerns.

Sincerely,

Jennifer Cyr Manager of Finance T 705 864-0111 F 705 864-1962 PO Box 670, 110 Lorne Street, Chapleau, Ontario, POM 1K0 jcyr@.puc@chapleau.ca