



Ontario
Energy
Board | Commission
de l'énergie
de l'Ontario

BY EMAIL

April 29, 2020

Cameron McKenzie
Director, Regulatory Affairs
Milton Hydro Distribution Inc.
200 Chisholm Drive
Milton ON L9T 3G9
cameronmckenzie@miltonhydro.com

Dear Mr. McKenzie:

**Re: Application for 2021 Electricity Rates
OEB File Number: EB-2020-0039**

This letter is in response to your letter expressing an interest to defer Milton Hydro Distribution Inc.'s (Milton Hydro) rebasing of its rates beyond the 2021 rate year.

The Ontario Energy Board (OEB) has reviewed Milton Hydro's 2018 performance and a forecast of the 2019 performance. As a result, the OEB is granting Milton Hydro's request to defer its 2021 cost of service application. The OEB will place Milton Hydro on the list of distributors whose rates will be scheduled for rebasing for the 2022 rate year.

If Milton Hydro subsequently seeks a further deferral the OEB will consider whether the Annual Incentive Rate-setting Index method that was developed for distributors intending longer periods without rebasing should be applied. The OEB will also consider whether the filing of a distribution system plan would be required at that time. Any request for an incremental capital module would need to be supported by evidence on Milton Hydro's overall capital plan and how the proposed capital project has been accommodated in that plan, such as through the filing of an update to an existing distribution system plan.

If Milton Hydro intends to seek a rate adjustment for 2021 rates, the OEB expects Milton Hydro to adhere to the process for Price Cap Incentive Rate-setting applications for the 2021 rate year.

Yours truly,

Original signed by

Christine E. Long
Registrar and Board Secretary