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## WATERLOO NORTH HYDRO INC.

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July 14, 2020

Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto, Ontario  
M4P 1E4

**Attention: Ms. Christine Long, Registrar and Board Secretary**

Dear Ms. Long:

**Re: January 1, 2021 Rate Application (EB-2020-0059) - Incomplete Letter**

On July 14, 2020, Waterloo North Hydro (WNH) received an Incomplete Letter from the OEB after a preliminary review of the Application filed by WNH on June 30, 2020. WNH has reviewed the items noted in the letter and has updated its Application to reflect these amendments. The missing items are discussed below:

**Section 2.1.4 p.7** - The Filing Requirements state: "Identification of OEB directions from any previous OEB Decisions and/or Orders. The applicant must clearly indicate how these are being addressed in the current application."

Per the OEB-approved settlement proposal in Waterloo North Hydro's last cost of service application (EB-2015-0108), Waterloo North Hydro was required to "prior to its next rebasing application, undertake a review of executive compensation incentive plans with its board of directors to evaluate the potential for more objective measures, and to identify potential opportunities for even better alignment with the OEB's Renewed Regulatory Framework outcomes and the metrics of the Distribution System Plan."

WNH acknowledges that this was missed in its original submission. WNH has noted this requirement in the revised Exhibit 1 on page 50 and discusses this in more detail on pages 54-56.

**Section 2.4.3.1 p.31** - The Filing Requirements state the applicant must provide: “A breakdown of the pension and other post-employment retirement benefits amounts included in OM&A and capital must be provided for the last OEB-approved rebasing application, and for historical, bridge and test years.”

WNH acknowledges that this table was missed in its original submission. A table with this information has been included in Exhibit 4, Table 4-28 on page 67.

**Section 2.9.4 p.71** - With respect to the establishment of the new deferral and variance accounts, the Filing Requirements state: “Applicants must include a draft accounting order which must include a description of the mechanics of the account, including providing examples of general ledger entries, and the manner in which the applicant proposes to dispose of the account at the appropriate time.”

WNH acknowledges that draft accounting orders were not included in the original submission. WNH has included draft accounting orders in Attachment 9-5 and has referenced this Attachment in Exhibit 9 on page 39.

In addition to the items noted in the letter, WNH has included additional verbiage related to Depreciation and Amortization in Exhibit 4 to better explain the proposed deviation from the Half Year Rule. The change is included on page 80 of Exhibit 4. WNH has also included two excel versions of tables as requested by the OEB: 5-A\_Metrics\_Waterloo\_COS\_20200714 and 9-3\_Cost\_of\_Power\_and\_Energy\_Sales\_Waterloo\_COS\_20200714.

WNH has forwarded the PDF version of the amended Exhibits and Attachments via the Board's web portal. The amended Exhibits are 1, 4 and 9. WNH has not provided hard copies, as outlined in the OEB Digitization Program Announcement released June 23, 2020.

If there are any questions, please contact Alyson Conrad at 519-888-5550, [aconrad@wnhydro.com](mailto:aconrad@wnhydro.com) or me at 519-888-5542, [asingh@wnhydro.com](mailto:asingh@wnhydro.com).

Yours truly,

A handwritten signature in blue ink, appearing to read "A.P. Singh".

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