



August 12, 2020

Ontario Energy Board
2300 Yonge Street, Suite 2700
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: Accounting Order and Guidance for Forgone Revenues from Postponing Rate Implementation Related to the COVID-19 Emergency
Elexicon Energy Inc. – Veridian Rate Zone (“VRZ”)**

Elexicon Energy Inc. (“Elexicon”) has reviewed the Ontario Energy Board’s (“OEB”) Accounting Order for Forgone Revenue as well as the Forgone Revenue Guidance (“the Guidance”), issued August 6, 2020 which addressed electricity distributors who deferred implementation of their May 1, 2020 rates. The Guidance states:

If a postponing distributor seeks alternative treatment – whether in regard to its recovery of foregone revenues or in regard to its implementation of May 1, 2020 rates – the distributor may do so by filing a request with the OEB’s Board Secretary’s Office as soon as possible, or by September 15, 2020 at the latest. Determinations on alternative treatments will be made on a case by case basis.

Elexicon currently has two rate zones which operate under separate rate years - May 1, for VRZ and January 1 for Whitby Rate Zone (“WRZ”). While Elexicon will continue to maintain separate rates for each rate zone until its next cost of service, it notified the OEB in its letters on April 21 and July 27, 2020, of its intention to propose harmonization of rate zones to a common rate year (January 1) in 2021. The April 21st letter also identified that Elexicon may extend its deferral of May 1, 2020 rates beyond October 31, 2020, in order to align the forgone revenue rate rider with other rates proposed for implementation on January 1, 2021. This approach would serve to eliminate the need for two separate effective dates for distribution rates that could otherwise be streamlined into a single proposed date.

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In keeping with previous correspondence, Elexicon submits this request to address the deferral of May 1, 2020 rates for its VRZ as follows:

- Extend the deferral of its 2020 rates to December 31, 2020
- Implement a forgone revenue rate rider effective January 1, 2020
- Incorporate the forgone revenue application into VRZ's 2021 IRM rate application process (EB-2020-0013)

Further details will be outlined in VRZ's 2021 IRM rate application.

There are currently different timelines for filing in the first tranche of 2021 IRM applications (August 17), as compared to the filing deadline for forgone revenue (September 15). In order to facilitate this request, Elexicon will commit to ensuring that the forgone revenue application is submitted as soon as practical prior to the September 15, 2020 deadline.

Elexicon hopes to streamline its request in the most efficient manner for the OEB to consider while also ensuring customer impacts are limited and managed in a fair and reasonable manner.

Please contact me if you have any questions.

Sincerely,

Susan Reffle
Manager, Regulatory Affairs