



BY EMAIL

September 15, 2020

Benoit Lamarche  
Cooperative Hydro Embrun Inc.  
821 rue Notre-dame  
Suite 200  
Embrun, ON K0A 1W1  
[benoit@hydroembrun.ca](mailto:benoit@hydroembrun.ca)

Dear Mr. Lamarche:

**Re: EB-2020-0011 Cooperative Hydro Embrun Inc. - Application for 2021 Rates**

A preliminary review of the application has identified that certain sections of the evidence supporting the application do not comply with the Ontario Energy Board's Filing Requirements<sup>1</sup> for incentive rate-setting applications and/or the associated spreadsheets, models and workforms. As a result, the Ontario Energy Board (OEB) is unable to process Cooperative Hydro Embrun Inc. (Cooperative Hydro Embrun) application at this time. The OEB will commence processing the application after the noted information is filed.

The missing information is in the table below:

Chapter 3 Filing Requirement Reference (page #)	Description
Pages 3-4	At pages 3 and 4 of the Chapter 3 Filing Requirements, it states that "Whether filing under Price Cap IR or the Annual IR Index, each application must include the 2021 IRM Checklist".

---

<sup>1</sup> Chapter 3 of the *Filing Requirements for Electricity Distribution Applications Rate Applications*, dated May 14, 2020

	<p>Page 5 of 38 of the Manager Summary states “This application is supported by the following Excel models which are filed in conjunction with the Manager Summary: 2021 IRM Checklist”.</p> <p>The 2021 IRM checklist has not been provided. Please provide the 2021 IRM checklist in Excel format.</p>
Pages 13-14	<p>At pages 13 and 14 of the Chapter 3 Filing Requirements, it states that "distributors are also expected to consider this accounting guidance in the context of historical pre-2019 balances that have yet to be disposed on a final basis. In order to request final disposition of these historical balances as part of the current application, distributors must provide confirmation that these historical balances have been considered and provide a summary of the review performed. Distributors must also discuss the results of the review, whether any systemic issues were noted, and whether any material adjustments to the account balances have been recorded. A summary and description of each adjustment made to the historical balances must be provided in the application.”</p> <p>Page 18 of the application states that "CHEI confirms that its balances have not been approved on a final basis since its last Cost of Service in 2018." However, this statement does not address the specific Filing Requirement for the confirmation for the historical balances having been considered in the context of the February 21, 2019 accounting guidance. In addition, Pages 9 &amp; 10 of Cooperative Hydro Embrun’s 2020 IRM Decision and Order states that "The OEB will consider allowing the disposition after Cooperative Hydro Embrun has performed a detailed internal review of its accounting and settlement processes and can provide sufficient evidence that it is following the APH and other OEB accounting guidance with respect to its commodity pass through accounts. The results of the internal review should be filed in Cooperative Hydro Embrun’s next rate proceeding". The results of the internal review have not been filed with this application.</p> <p>Please provide the results of the noted internal review and a summary and description of each adjustment made to the historical balances, if any.</p>
2019 IRM Decision and Order <sup>2</sup>	<p>Cooperative Hydro Embrun’s 2019 IRM Decision and Order states that “The OEB approves the disposition of a debit balance of \$52,588 as of December 31, 2017, including interest projected to December 31, 2018 for Group 1 accounts on an interim basis”. The 2020 IRM Decision and Order did not approve the final disposition of 2017 Group 1 balances.</p>

---

<sup>2</sup> EB-2018-0026

	Please clarify whether Cooperative Hydro Embrun is requesting final disposition of 2017 Group 1 balances.
--	---

The OEB expects that Cooperative Hydro Embrun will file the above listed required information as soon as possible.

If any of the information that is identified as missing is located in sections other than those identified in the Filing Requirements, or if any of the information is not applicable in your circumstances, please provide an explanation when re-filing the application.

Any questions relating to this letter should be directed to Christiane Wong at [Christiane.Wong@oeb.ca](mailto:Christiane.Wong@oeb.ca) or at 416-440-8115. The OEB's toll-free number is 1-888-632-6273.

Yours truly,

*Original signed by*

Christine E. Long  
Registrar and Board Secretary