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Tuesday, September 15 2020

Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON
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Attention: Christine Long, Board Secretary

**Re: North Bay Hydro Distribution Ltd. – Foregone Revenue Model
EB-2019-0057**

On April 16, 2020 the OEB released a communication titled; *Approach to Incentive Rate-setting decisions for May 1, 2020 Rates*. In response, NBHDL filed a letter April 23, 2020 advising that it would be postponing its May 1, 2020 IRM rate changes (EB-2019-0057) to November 1, 2020.

On August 6, 2020 an accounting order titled; *Accounting Order for the Establishment of a Sub-account to Record Impacts Arising from the COVID-19 Emergency for Forgone Revenues from Postponing Rate Implementation*, accompanied a *COVID19-Forgone Revenue Rider Model*. Accompanying this letter is a completed workform.

It is the intention of NBHDL to opt for the following with respect to the November 1, 2020 rate implementation:

- Implement all deferred rate changes that were originally to be updated May 1, 2020 as part of the above noted file.
- Update the sunset date on the approved LRAM rider, so as to cover the 12-month period from November 1, 2020 to October 31, 2021.
- Forgo the optional recovery of the calculated forgone revenue that resulted from the deferred rate implementation.
- Adjust all microfit accounts with a credit to account for the delayed reduction in their approved service charge.

Further, be advised that we have discover two issues with the model rate generator.

- In tabs 7 & 8, the populated LV charges for Residential, GS<50 and UMSL are incorrect. The tables populates these to four decimal places, while our actual approved tariff schedule is to five. This results in the model rounding up the LV charge to 0.0001 instead of 0.00007. We had previously had the rate model group correct the issue; however, this was only done for tab 2, and not 7 & 8.
- Tab 8 is not populating a sunset date on our previously approved LRAMVA Rider. Since the recovery will still take place over a 12-month period, the sunset date should be October 31, 2021.

NBHDL would be pleased to provide any further information or details that the Board may require relative to this application.

Regards,

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