



September 30, 2020

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

VIA EMAIL and RESS

Dear Ms. Long:

**Re: Elexicon Energy Inc. – Veridian Rate Zone
2021 Incentive Rate-setting Mechanism (IRM) Distribution Rate Application
OEB File No: EB-2020-0013**

As part of its 2021 IRM rate application, Elexicon Energy Inc. (“Elexicon”) advised the Ontario Energy Board (“OEB”) of its intention to file one or more Incremental Capital Module (“ICM”) projects along with its integrated Distribution System Plan (“DSP”) by April 2021. The expectation of ICM filings during the cost of service deferral period were also highlighted by the former Whitby Hydro Electric Corporation and Veridian Connections Inc. in the MAADs application (EB-2018-0236).

Elexicon continues to review ICM projects on an ongoing basis. Some aspects of the current projects have timing elements that are considered outside of Elexicon’s control. Since the filing of the 2021 rate application, there continues to be a level of uncertainty with respect to timing and costs of ICM projects.

The current expectation is that projects will be completed and in-service most likely in early 2022, although there is a small probability that the projects will still be completed in late 2021.

Given this uncertainty in the timing of the projects, Elexicon wishes to update and advise the OEB of its plan to shift timing of the ICM application to align with its 2022 IRM application.

The shift in timing is expected to ensure that the resulting 2022 ICM application will have the benefit of the most current and up-to-date information about the need, timing and costs of the applicable projects.

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Notably, none of the proposed projects are expected to be completed prior to the deadline to file the 2022 ICM rate application for Elexicon's Veridian Rate Zone.

Elexicon has and will continue to engage OEB Staff and share any updates to ensure the OEB remains aware of Elexicon's plans with respect to its proposed 2022 ICMs.

Elexicon notes that Energy Probe Research Foundation ("Energy Probe") has requested intervenor status on EB-2020-0013. While Elexicon has no objection to the intervenor request, it notes that Energy Probe's interest in this proceeding was limited to the impact on customers of the ICM projects. Elexicon trusts that this communication provides assistance to inform the OEB and interested parties of the updated plan for timing of a future ICM application.

Please contact me if you have any questions.

Sincerely,

Susan Reffle
Manager, Regulatory Affairs

cc: Mr. John Vellone
Ms. Birgit Armstrong
Mr. Alex Share
Energy Probe
VECC
Power Workers Union