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VIA RESS and EMAIL

January 20, 2020

Ms. Christine E. Long
Registrar
Ontario Energy Board
2300 Yonge Street, 27th floor, P.O. Box 2319
Toronto, ON
M49 1E4
Email: Registrar@oeb.ca

Re: Wasaga Distribution Inc – 2021 Inflation Parameters

Dear Ms. Long;

On November 9, 2020, the Ontario Energy Board (“OEB”) issued a letter regarding the 2021 Inflation Parameters (the “Letter”), that establishes the process for the implementation of the inflation factor for use in 2021 rate adjustment applications.

The OEB has calculated the 2021 inflation factor for electricity distributors to be 2.2%. Further, considering the continued uncertainty regarding the severity and duration of the COVID-19 emergency, and its impact on electricity utilities and customers alike, the OEB is allowing utilities the discretion of electing the calculated Input Price Index (“IPI”) level per the OEB-approved methodology (offset by the applicable stretch factor and other adjustments for some plans); a lower IPI value; or foregoing the inflationary increase entirely.

The Letter directs utilities that have filed applications for electricity distribution rates (“EDR”) effective May 1, 2021 to make their election by February 5, 2021 by filing a letter on the record of their 2021 rates proceeding.

Wasaga Distribution elects to use the OEB’s calculated 2021 inflation factor of 2.2% for a Price Cap Index (“PCI”) for 2021 EDR.

Should you have any questions, please do not hesitate to contact the undersigned.

Respectively submitted,

Brandon Weiss, CPA, CMA
Manager of Finance and Regulatory Affairs