



February 24, 2021

Ms. Christine E. Long  
Registrar  
Ontario Energy Board  
2300 Yonge Street, 27th Floor  
Toronto, Ontario M4P 1E4

Dear Ms. Long:

Re: **Oakville Hydro Electricity Distribution Inc.**  
**2022 Cost of Service Deferral Request – EB-2021-0049**

On December 16, 2020, the Ontario Energy Board (the “OEB”) issued a letter identifying those electricity distributors that are scheduled to file a cost of service application for 2022 rates. In its letter, the OEB noted that 19 electricity distributors are scheduled to file a cost of service application for 2022 rates, 10 for 2023 rates, five for 2024 and six for 2025.

In light of the imbalance in the number of distributors scheduled to file a cost of service application over the next four years, the OEB invited interested electricity distributors that are scheduled to file a cost of service application for 2022 to 2024 to submit expressions of interest for a deferral to rebase in any subsequent year, up to 2025.

Oakville Hydro Electricity Distribution Inc. (“Oakville Hydro”) hereby requests approval to defer its 2022 cost of service application until 2023. Oakville Hydro will continue to monitor its performance on an annual basis and may request further deferrals.

Oakville Hydro’s request to defer its 2022 cost of service application is based on its past financial and non-financial performance. Oakville Hydro has achieved strong financial results while providing reliable electricity distribution services to homes and businesses across Oakville. Since 2015, Oakville Hydro has also continuously improved its efficiency performance within efficiency group number three, keeping costs to the customer stable.

Year	2015	2016	2017	2018	2019
<b>Deemed Regulated Rate of Return</b>	9.36%	9.36%	9.36%	9.36%	9.36%
<b>Achieved Regulated Rate of Return</b>	9.35%	10.81%	9.69%	10.65%	9.31%
<b>System Average Interruption Frequency Index</b>	0.48	0.50	0.50	0.62	0.74
<b>System Average Duration Frequency Index</b>	0.58	0.90	0.79	0.80	1.19

Oakville Hydro has no intentions, at this time, of filing for incremental funding for the recovery of costs related to unforeseen events under the OEB's Z-Factor mechanism. In the event that an unforeseen event meets the OEB's eligibility requirements, Oakville Hydro will notify the OEB no later than six months after the event of its intention to submit a Z-Factor claim.

Respectfully submitted,

***Original signed by***

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**Oakville Hydro**

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