

BY E-MAIL

March 31, 2021

Jennifer Wiens, Chief Executive Officer/Secretary/Treasurer Atikokan Hydro Inc.
117 Gorrie St.,
Box 1480
Atikokan ON P0T 1C0
jen.wiens@athydro.com

Dear Ms. Wiens:

Re: Application for 2022 Electricity Rates OEB File No. EB-2021-0007

This letter is in response to your letter expressing an interest to defer Atikokan Hydro Incorporated's (Atikokan Hydro) rebasing of its rates beyond the 2022 and 2023 rate years.

The OEB has reviewed the letter and based on Atikokan Hydro's 2019 performance and the continuing impact of COVID-19, the OEB is granting approval for Atikokan Hydro's request to defer its 2022 and 2023 cost of service applications. The OEB will place Atikokan Hydro on the list of distributors whose rates will be scheduled for rebasing for the 2024 rate year, including a distribution system plan.

Atikokan Hydro did not indicate that its request is reliant upon the availability of an Incremental Capital Module (ICM), as such the OEB expects that Atikokan Hydro will not file an ICM for the 2022 and 2023 rate years.

If Atikokan Hydro intends to seek a rate adjustment for 2022 and 2023 rates, the OEB expects Atikokan Hydro to adhere to the process for Price Cap Incentive Rate-setting applications for the 2022 and 2023 rate years.

The OEB will be reviewing how deferrals are granted in the future, which may have an impact on the options available to distributors seeking subsequent deferral(s). The review will consider the availability of Incremental Capital Module, filing of a Distribution System Plan, and whether distributors would be moved from the Price Cap Incentive

Rate-setting method to the Annual Incentive Rate-setting Index method for any deferral request.

Yours truly,

Original signed by

Christine E. Long Registrar