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June 4, 2021

Delivered by Email & RESS

Ms. Christine Long, Registrar
Ontario Energy Board
P.O.Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: 2021 Cost of Service Rate Application
North Bay Hydro Distribution Limited ("NBHDL")
OEB File No.: EB-2020-0043
Response to Requirements in Decision and Procedural Order No. 3**

Pursuant to Decision and Procedural Order No. 3 dated May 31, 2021, the Ontario Energy Board ("OEB") has ordered NBHDL to file additional information with respect to Account 1508 – Broadband Pole Attachment Variance Account as follows:

1. The OEB requires NBHDL to report what cost has been included in its proposed base rates to be used for the variance account; and
2. The OEB requires NBHDL to confirm how it will determine the incremental revenue from new attachments.

NBHDL's response to these requirements are set out below in the same numerical order:

1. NBHDL currently has no costs (\$0) related to facilitating pole attachments in its base rates. Prior to Bill 257, all costs were treated as either recoverable and billed out to the pole attacher or as capital contributions that would otherwise be due and payable by the attacher. In the event that this is not permitted under Bill 257, NBHDL proposes to record all incremental costs related to administering and facilitating new broadband attachments in the deferral account.
2. NBHDL intends to treat all incremental revenue after April 12, 2021 (the date Bill 257 received royal assent) based on the pole attachment counts at year-end 2020 as revenue to be allocated to the variance account. At December 31, 2020 NBHDL had 10,205 telecom connections across 6 different telecom providers. Given these counts are materially stable

year over year outside of major projects, NBHDL proposes to treat all revenue derived after April 12, 2021 from incremental unit counts beyond 10,205 as revenue from new attachments for the purpose of the variance account.

Yours very truly,

BORDEN LADNER GERVAIS LLP

Per:

A handwritten signature in black ink, appearing to read 'Flora Ho', written in a cursive style.

Flora Ho

cc: Intervenor of record in EB-2020-0043