

August 5, 2021

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

Re: Milton Hydro Distribution Inc. ED-2003-0014

OEB File No. EB-2021-0042

2022 Incentive Rate-setting Mechanism (RM) Distribution Rate Application

Milton Hydro Distribution Inc. (Milton Hydro) received the Ontario Energy Board's (OEB) letter dated July 16, 2021 regarding the 2022 Rate Application Process. The OEB's letter set out the filing dates for those electricity distributors that are scheduled to file an incentive rate-setting application for 2022 rates.

The OEB scheduled the rate application filing assignments based on distributors' responses to a survey conducted by the OEB in spring 2021. Based on Milton Hydro's survey responses, it was assigned to Tranche 2 of the Distributor Rate Application Filing schedule with a deadline of October 13, 2021.

Since Milton Hydro completed its survey responses, new information has become available and now the company needs to make some changes to what it originally intended to file with its 2022 IRM Rate Application. Due to the changes that Milton Hydro is making with its 2022 IRM Rate Application, it will now need to file its rate application with Tranche 1 of the Distributor Rate Application Filing schedule, due to the nature of its rate application, with a deadline of August 18, 2021.

The key items of note are that Milton Hydro will be requesting the alignment of its Rate Year to its fiscal year, and an adjustment to the Low Voltage Rates which were originally approved by the OEB in Milton Hydro's 2016 Cost of Service Rate Application¹. Milton Hydro is aware that both of these items are typically dealt with as part of a Cost of Service Rate Application, and it intends to provide evidence to justify its requests as part of its 2022 IRM Rate Application. In addition, Milton

Hydro will bring forward a request for the disposition of the LRAM-VA account balance as of the

end of 2020.

Milton Hydro has also completed its review of the transactions in its commodity pass through accounts from 2016 to 2020 in the context of the OEB's Accounting Guidance related to Accounts 1588 RSVA Power and 1589 RSVA Global Adjustment². Moreover, Milton Hydro will seek final disposition of the Group 1 DVAs for the 2020 account balances, as well as the final disposition of the Group 1 DVAs approved by the OEB on an interim basis previously with Milton Hydro's 2019 IRM Rate Application³.

If any questions, please contact the undersigned.

Yours truly,

Dan Gapic CPA, CMA

Dan Hopin

Director, Regulatory Affairs

Milton Hydro Distribution Inc.

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¹ EB-2015-0089 OEB Rate Order on Milton Hydro's 2016 Cost of Service Rate Application dated August 25, 2016.

² OEB Accounting Guidance issued on February 21, 2019.

³ EB-2018-0053 OEB Decision and Rate Order on Milton Hydro's 2019 IRM Rate Application, dated March 28, 2019