

August 17, 2021

**VIA RESS & EMAIL**

Ms. Christine E. Long  
Registrar  
Ontario Energy Board  
2300 Yonge St., Suite 2700  
Toronto, ON M4P 1E4  
Email: registrar@oeb.ca

Dear Ms. Long,

**Re: Generic proceeding to consider the inflation factor to be used to set rates for electricity transmitters and electricity and natural gas distributors for the year 2022 – EB-2021-0212**

On August 6, 2021, the Ontario Energy Board (“OEB”) commenced a hearing on its own motion to consider the inflation factor to be used to set rates for electricity transmitters and electricity and natural gas distributors for the year 2022. In the notice of proceeding, the OEB indicates that the standard formulaic approach to rate adjustment may be amended for the 2022 year due to an abnormally high inflation factor relative to recent years, which is expected to be published by Statistics Canada in September 2021.

In its letter, the OEB has advised that it is considering three options:

1. Continue to apply the existing methodology and formula (including the existing inflation indices) to the 2022 rate adjustments;
2. Extend the approved values for 2021 inflation rates for 2022 rate adjustments;
3. Update the 2022 inflation rates under the existing methodology using a suitable sub-index of Average Weekly Earnings or a related statistic, Average Hourly Earnings, that is more representative of labour inflation expected to be experienced by Utilities in 2022.

In its letter, the OEB invited stakeholders interested in participating in the proceeding to indicate their intent in this matter by filing a letter with the OEB.

By way of this letter, Alectra indicates its intent to participate in the proceeding, whether as an individual entity, or jointly through the Coalition of Large Distributors, as the case may be.

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

Yours truly,



Michael Lister, MBA  
Acting Vice President, Regulatory Affairs  
Alectra Utilities Corporation