

November 10, 2021

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

Re: EB-2021-0045

Dear Sirs:

Below is the Niagara-on-the-Lake Hydro Inc. (NOTL Hydro) response to the OEB staff submission dated November 4, 2021.

NOTL Hydro acknowledges that OEB staff intends to update NOTL Hydro's 2022 IRM Model to reflect any changes to Retail Transmission Service Rates as well as the OEB approved 2022 inflation factor, and resulting price cap adjustment, pursuant to the process that the OEB may lay out for implementation once available.

**Deferral and Variance Account (DVA) Disposition**

- Group 1 – NOTL Hydro is in agreement with the OEB staff submission regarding disposition of Group 1 DVAs.
- Specified Customer Revenue Variance Account – NOTL Hydro is in agreement with the OEB staff submission and has updated the associated rate riders in the model submitted with this response such that the variance to residential customers be distributed on a kWh basis in accordance with the accounting order approved in NOTL Hydro's decision and order for 2019 rates.

**Request to Align Rate Year and Fiscal Year**

- NOTL Hydro is in agreement with OEB staff that a one-time adjustment with no further true up is to be utilized to refund the difference in rates to NOTL Hydro customers for the period from January 1, 2022 to April 30, 2022. NOTL Hydro has updated the model submitted with this response to include the rate year alignment rate riders. NOTL Hydro acknowledges that OEB staff intends to update the rate riders to reflect the OEB approved 2022 inflation factor once the OEB renders a decision, pursuant to the process that the OEB may lay out for implementation once available.

Yours truly,



Jeff Klassen  
VP Finance  
[jklassen@notlhydro.com](mailto:jklassen@notlhydro.com)