



By RESS

November 23, 2021

Ms. Christine E. Long  
Registrar and Board Secretary  
Ontario Energy Board  
PO Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON, M4P 1E4

Dear Ms. Long:

**Subject: Electricity Distribution Licence No. ED-2002-0556  
2022 Electricity Distribution Rate Application (EB-2021-0035)  
Distribution Rates and Charges – Pole Attachment Guidance**

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On October 1, 2020, the Minister of Energy, Northern Development and Mines sent a mandate letter to the Chair of the Ontario Energy Board's ("OEB's") Board of Directors. One of the priority items listed in the Minister's mandate letter was to consider the OEB's pole attachment policy. On December 10, 2020, in its Wireline Pole Attachment charge Order,<sup>1</sup> it was confirmed that the OEB was considering how to move forward with the pole attachment charge. At that time, the OEB decided to suspend the current policy of an inflationary adjustment to the charge on an interim basis.

As part of Hydro Ottawa's 2021-2025 Custom Incentive Rate-setting Application,<sup>2</sup> maintaining the pole attachment charge without inflation shifted revenue requirement collected through other revenue to revenue requirement collected through base rates. Given the timing of the Pole Attachment Decision, Hydro Ottawa chose not to update its base revenue requirement and indicated that "any change as a result of the outcomes of the OEB review will be adjusted in accordance with the Settlement Agreement starting in 2022."<sup>3</sup>

On November 18, 2021 the OEB released its Decision and Order setting the inflation factor to be used in rate adjustment applications for rates effective in 2022. With the release of this factor, Hydro Ottawa requires the January 1, 2022 Pole Attachment Charge to finalize its distribution revenue requirement for rates.

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<sup>1</sup> Ontario Energy Board, *Order - Wireline Pole Attachment Charge*, EB-2020-0288 (December 10, 2020).

<sup>2</sup> Hydro Ottawa Limited, *2021-2025 Custom Incentive Rate-Setting Distribution Rate Application*, EB-2019-0261 (February 10, 2020, Updated May 29, 2020).

<sup>3</sup> Hydro Ottawa Limited, Letter re: *Distribution Rates and Charges – Pole Attachment Update* (December 11, 2020).



Hydro Ottawa seeks guidance from the OEB in order to finalize its Distribution Rates and Charges effective January 1, 2022. Specifically, Hydro Ottawa requests that the OEB confirm whether it has completed its review of the Pole Attachment Charge, and further if Hydro Ottawa should anticipate the Pole Attachment Charge to be finalized in time for setting its distribution rates effective January 1, 2022. If the charge is unlikely to be finalized in time for rates effective January 1, 2022, could the OEB please confirm whether Hydro Ottawa should maintain the current interim Pole Attachment Charge for the purpose of setting its Distribution Rates and Charges effective January 1, 2022?

In addition, should the Pole Attachment Charge not be set in time for rates effect January 1, 2022, Hydro Ottawa intends to request any relevant variance accounts at the time of the Final Decision and Order related to the Pole Attachment Charge.

Please do not hesitate to contact me if you require anything further.

Sincerely,

DocuSigned by:

*April Barrie*

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**April Barrie**

**Director, Regulatory Affairs**

**Directeur, Affaires réglementaires**

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