

MILTON HYDRO DISTRIBUTION INC.

200 Chisholm Drive, Milton, Ontario, L9T 3G9
Telephone (905) 876-4611 • Fax (905) 876-2044

February 27, 2022

RESS & EMAIL

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

Attention: Nancy Marconi, Acting Registrar

Dear Ms. Marconi:

Re: Milton Hydro Distribution Inc. ("Milton Hydro")

EB-2022-0049: Cost of Service Rate Application for 2023 Electricity Distribution Rates ("Application") – Request to use 2022 Filing Requirements and 2023 Filing Requirements for Small Utilities

Milton Hydro is currently in the process of preparing its 2023 Cost of Service rate application (the Application), which is due to be filed by April 29, 2022. Since there are no filing requirements for 2023 rate applications for large distributors currently, Milton Hydro has been relying on and following the 2022 Filing Requirements¹.

On February 22, 2022, the OEB issued a letter pertaining to the Consultation on Updates to Filing Requirements for Electricity Distribution Cost of Service Applications². In its letter, among other things, the OEB stated that the update to the filing requirements for 2023 rate applications for large distributors will be issued in the spring of this year.

OEB staff contacted Milton Hydro on February 25, 2022 and advised Milton Hydro that given the 2023 Filing Requirements for large distributors will be issued in the spring of this year, Milton Hydro may potentially file its Application prior to the OEB finalizing the 2023 Filing Requirements for large distributors, given that Milton Hydro is an early filer with its rate year commencing January 1, 2023. OEB staff also pointed out, that in the letter dated February 22, 2022³, the update to the 2023 Filing Requirements for large distributors will include the typical annual updates as well as many of the amendments from the small utility filing requirements. Considering the preceding, OEB staff asked Milton Hydro if it wanted to make any requests from the OEB relating to this matter.

¹ OEB Filing Requirements For Electricity Distribution Rate Applications – 2021 Edition for 2022 Rate Applications, dated June 24, 2021 ("2022 Filing Requirements)".

² On February 22, 2022 in EB-2022-0096 the OEB established a working group to review filing requirements for large distributors for 2024 rates and beyond that will consist of representatives from electricity distributors, intervenors and OEB staff.

³ Ibid

Taking into account the considerable work that the distributor has done to date preparing the Application and the remaining work to complete the Application; in light of the April 29, 2022 due date to file the Application, Milton Hydro requests that the OEB allow Milton Hydro to file its Application using a hybrid of both the 2022 Filing Requirements and the 2023 Filing Requirements For Small Utilities⁴.

In particular,

Milton Hydro proposes that for the work completed to date on its Application, Milton Hydro would use the 2022 Filing Requirements, and for the work that has not yet been completed, Milton Hydro would use the 2023 Filing Requirements For Small Utilities. Furthermore, where Milton Hydro is able to incorporate other elements of the 2023 Filing Requirements For Small Utilities into its rate application without adding significant effort, it will do so.

Milton Hydro believes this approach is reasonable since the OEB has stated in its February 22, 2022 letter that many of the amendments from the small utility filing requirements are planned to be incorporated into the filing requirements for 2023 rate applications for large distributors, and the intent of the updates to the filing requirements are to reduce filing burden.

In order to provide clarity regarding which filing requirements were followed in the Application, Milton Hydro will clearly identify in the "Evidence Reference, Notes" section of the standard Cost of Service Checklist (issued July 19, 2021), the instances where the Filing Requirements for Small Utilities were followed and include the appropriate reference.

Milton Hydro appreciates being contacted by OEB staff to bring this matter to Milton Hydro's attention.

For the reasons indicated above, Milton Hydro respectfully requests that the OEB approve its request to apply a hybrid of the OEB filing requirements to its 2023 COS Application.

Respectfully submitted,

Dan Gapic, CPA, CMA Director, Regulatory Affairs Milton Hydro Distribution Inc.

cc: Tim Pavlov, Torys LLP

Kevin Mancherjee, Manager, Major Rate Applications and Consolidations, Ontario Energy Board Igor Rusic, Chief Financial Officer and Vice President, Finance, Milton Hydro Distribution Inc.

⁴ OEB Filing Requirements For Electricity Distribution Rate Applications - 2022 Edition for 2023 Rate Applications - For Small Utilities, dated December 16, 2021.