



Ontario
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BY EMAIL

March 28, 2022

Lance Jefferies
President, Renfrew Hydro Inc.
499 O'Brien Road - Unit B,
Renfrew ON K7V 3Z3
Email: ljefferies@renfrewhydro.com

Dear Mr. Jefferies:

**Re: Application for 2023 Electricity Rates
OEB File No. EB-2022-0060**

This letter is in response to your letter expressing an interest to defer Renfrew Hydro Incorporated's (Renfrew Hydro) rebasing of its rates beyond the 2023 rate year for one year. Renfrew Hydro was originally scheduled to file an application for 2022 rates but was granted a one-year deferral.

The OEB has reviewed the letter and based on Renfrew Hydro's financial and service quality performance is granting approval for Renfrew Hydro's request to defer its 2023 cost of service application. The OEB will place Renfrew Hydro on the list of distributors whose rates will be scheduled for rebasing for the 2024 rate year, including a distribution system plan (DSP).

If Renfrew Hydro intends to seek a rate adjustment for 2023 rates, the OEB expects Renfrew Hydro to adhere to the process for Price Cap Incentive Rate-setting applications for the 2023 rate year.

In Renfrew Hydro's last cost of service proceeding, Renfrew Hydro agreed to undertake various improvements to its DSP¹ and to address line losses². The OEB expects

¹ EB-2016-0166, [Settlement Proposal](#), Page 13 of 51

² Ibid, page 30 of 51

Renfrew Hydro to report on this completed work in its cost of service application for 2024 rates.

The OEB's [letter of December 1, 2021](#), regarding changes to the OEB's approach to deferrals, established a transitional measure allowing distributors with existing deferrals, such as Renfrew Hydro, to make one more deferral request or select Annual Incentive Rate-setting Index. With this deferral, Renfrew Hydro must file a cost of service application for 2024 rates. If the rebasing application is not filed by the commencement of the 2024 rate year, the OEB will declare Renfrew Hydro's rates interim until Renfrew Hydro files a rebasing application. Additionally, there is no availability of an Incremental Capital Module for 2023 rates and the OEB will not require Renfrew Hydro to file a DSP during this deferral period.

Yours truly,

Nancy Marconi

Registrar