BY E-MAIL

May 20, 2022

Carrie Schwippl
Westario Power Inc.
24 Eastridge Road, R.R. #2
Walkerton, ON N0G 2V0
Carrie.Schwippl@westariopower.com

Dear Ms. Schwippl:

Re: Application for 2023 Electricity Rates OEB File No. EB-2022-0070

This letter is in response to your letter expressing an interest to defer Westario Power Incorporated's (Westario Power) rebasing of its rates beyond the 2023 rate year for one year.

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

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

The OEB's <u>letter of December 1, 2021</u>, outlined changes to the OEB's approach to deferrals. With this deferral, Westario Power 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 Westario Power's rates interim until Westario Power files a rebasing application. Additionally, there is no availability of an Incremental Capital Module for 2023 rates and the OEB will not require Westario Power to file a DSP during this deferral period.

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Yours truly,

Nancy Marconi Registrar