

From: Cherida Walter

Sent: Wednesday, November 23, 2022 4:59 PM

To: 'Jake Iles' <jiiles@festivalhydro.com>

Subject: 2023 Price Cap IR application - Festival Hydro Inc. (EB-2022-0032)

Hi Jake,

Please see the report “Empirical Research in Support of Incentive Rate-Setting: 2021 Benchmarking Update - Report to the Ontario Energy Board” at the link below:

<https://www.oeb.ca/sites/default/files/PEG-Benchmarking-Report-20220718.pdf>

The last page of the report outlines that Festival Hydro has a stretch factor of 0.30% (not 0.60%), so the price cap index is 3.4% (not 3.1%). I have updated the LRAM-eligible amount rate rider calculation excel sheet that Festival filed in response to OEB staff questions round 2 (attached), as well as tab 18 of the IRM rate generator model.

Festival Hydro will have an opportunity to review this when I send you the draft decision for review.

Please let me know if you have any questions.

Sincerely,

Cherida Walter | Hearings Advisor | Office of the Registrar

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