

Ms. Nancy Marconi
Registrar
Ontario Energy Board
P.O. Box 2319
26th Floor
2300 Yonge Street
Toronto, ON
M4P 1E4

DELIVERED BY EMAIL

Dear Ms. Marconi,

**RE: Hydro Hawkesbury Inc.
2024 Cost of Service Application
Ontario Energy Board File Number: EB-2023-0029**

I am writing to advise that, despite our best efforts, Hydro Hawkesbury Inc. (HHI) is not in a position to file a Cost-of-Service Application for the 2024 Test Year. Instead, HHI will endeavor to file a Cost-of-Service Application for the 2025 Test Year. Accordingly, HHI respectfully asks that it be scheduled as one of the distributors filing a cost-of-service application in 2024 for a 2025 Test Year with rates effective January 1, 2025.

Based on the Ontario Energy Board's letter dated December 1, 2022, HHI understands that it is not eligible to apply for either a Price Cap IR or an Annual IR adjustment for the 2024 rate year.

With respect to the deferral of the cost-of-service application to 2025, HHI can confirm that it does not anticipate a need for ICM relief in relation to its 2024 capital spending. HHI attaches its most recent scorecard, which it believes represents reasonable results in terms of the various metrics by which distributor performance is considered by the OEB, results that HHI believes it can maintain through 2024. In relying on its historical performance HHI notes the following:

- a) HHI has remained in the OEB's cohort number 1 as a result of HHI's benchmarking performance.
- b) HHI has amongst the lowest distribution rates in the province, i.e., HHI had the lowest revenue per residential customer as of the last issued Yearbook data (2021);
- c) While HHI's ROE performance has exhibited some volatility, that is largely because it is an extremely small utility such that its ROE performance is highly sensitive to even very small changes in revenue and/or costs; having said that HHI's average ROE performance between 2018 and 2022 remains within the OEB's 300 basis point deadband.
- d) While HHI has reported an increase in hours and times its customers have experienced interruptions, those increases have been tied to specific extreme weather events and loss of supply from Hydro One.

If any further information is required, please do not hesitate to contact the undersigned.

Yours very truly,



Michel Poulin General Manager
Hydro Hawkesbury Inc. 850 Tupper St.
Hawkesbury, ON K6A 3S7
Tel: 613-632-6689