

BY EMAIL

March 5, 2024

Josh Charles
Manager Regulatory Affairs
ENWIN Utilities Ltd.
4545 Rhodes Drive
P.O. Box 1625, Station A
Windsor ON N8W 5T1

Email: regulatory@enwin.com

Dear Mr. Charles:

Re: Application for 2025 Electricity Rates
OEB File No. EB-2024-0019

This letter is in response to your letter expressing an interest to defer ENWIN Utilities Ltd. (ENWIN) rebasing of its rates beyond the 2025 rate year for three years and request to extend its Price Cap IR rate setting term until rebasing.

Based on ENWIN's financial and service quality performance, the OEB is granting approval for ENWIN's request to defer its 2025 cost of service application. The OEB also recognizes ENWIN's latest placement within Group II in the OEB's benchmarking results. The OEB will place ENWIN on the list of distributors whose rates will be scheduled for rebasing for the 2028 rate year. The OEB notes ENWIN's commitment in its EB-2019-0032 settlement agreement to provide evidence on the link between asset condition and investment plan and to track assets replaced by asset type and cost. The OEB expects this information to be included in its next rebasing application.

The OEB also notes the establishment in the EB-2019-0032 proceeding of a variance account related to the eventual loss of revenues related to a large customer (the Deferred Lost Customer Distribution Revenue account). Enwin shall file in its next Price Cap IR application a proposal for clearance of any balances accumulated in this account.

The OEB's <u>letter of December 1, 2021</u>, outlined changes to the OEB's approach to deferrals. With this deferral, ENWIN must file a cost of service application for 2028 rates. If the rebasing application is not filed by the commencement of the 2028 rate year, the OEB will declare ENWIN's rates interim until ENWIN files a rebasing application. Additionally, there is no

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availability of an Incremental Capital Module for 2025-2027 rates and the OEB will not require ENWIN to file a DSP during this deferral period.

Yours truly,

Nancy Marconi Registrar