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BY EMAIL

March 31, 2021

Maryanne Wilson
Director, Regulatory and Compliance
Oakville Hydro Electricity Distribution Inc.
P.O. Box 1900, 861 Redwood Square
Oakville, ON, L6K 0C7
Email: mwilson@oakvillehydro.com

Dear Mrs. Wilson:

**Re: Application for 2022 Electricity Rates
OEB File No. EB-2021-0048**

This letter is in response to your letter expressing an interest to defer Oakville Hydro's rebasing of its rates beyond the 2022 rate year.

The OEB has reviewed the letter and Oakville Hydro's 2019 performance and is granting the request, with Oakville Hydro continuing with the Annual Incentive Rate-setting Index method. The OEB is granting this request based on the stability of Oakville Hydro's historical performance and the continuing impact of COVID-19.

In response to Oakville Hydro's request to defer its 2021 cost of service rate application, the OEB placed Oakville Hydro on Annual Incentive Rate-setting Index, and stated an expectation that Oakville Hydro would file a distribution system plan for 2022 rates¹. As a result of this review, and the ongoing COVID-19 situation, the OEB is prepared to defer the requirement for Oakville Hydro to file a distribution system plan for 2022 rates.

While deferral requests are not required from distributors that are on the Annual IR Index method, Oakville Hydro should be aware that the OEB will be reviewing how deferrals are granted in the future, which may have an impact on the options available to distributors seeking subsequent deferral(s). The review will consider the availability of

¹ OEB letter to Oakville Hydro, April 29, 2020

Incremental Capital Module, filing of a Distribution System Plan, and whether distributors would be moved from the Price Cap Incentive Rate-setting method to the Annual Incentive Rate-setting Index method for any deferral request.

Yours truly,

Original Signed By

Christine E. Long
Registrar