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BY E-MAIL

March 9, 2022

Joe Barile, General Manager
Essex Powerlines Corporation
2730 Highway #3
Oldcastle ON N0R 1L0
jbarile@essexpowerlines.ca

Dear Mr. Barile:

**Re: Application for 2023 Electricity Rates
OEB File No. EB-2022-0031**

This letter is in response to your letter expressing an interest to defer Essex Powerlines Corporation's (Essex Powerlines) rebasing of its rates for eight months to file for rates effective January 1, 2024.

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

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

In Essex Powerlines' [2018 decision and order](#), the OEB ordered,

“The OEB directs Essex Powerlines to report to the OEB's Audit & Investigation group when the audit reports' remaining recommendations are complete. The OEB expects the report to be filed within one year, by August 31, 2019. In addition, Essex Powerlines is directed to file this report with its next rate setting application.”

Essex Powerlines is reminded of this obligation and the OEB expects it will include the report with its 2024 rebasing application.

The OEB's [letter of December 1, 2021](#), outlined changes to the OEB's approach to deferrals. With this deferral approval, Essex Powerlines 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 Essex Powerlines' rates interim until Essex Powerlines files a rebasing application. Additionally, there is no availability of an Incremental Capital Module for 2023 rates and the OEB will not require Essex Powerlines to file a DSP during this deferral period.

Yours truly,

Nancy Marconi
Registrar