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Energy
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BY EMAIL

January 14, 2025

To: All Parties in EB-2024-0022 and EB-2024-0096

**Re: Essex Powerlines Corporation (Essex Powerlines)
Application for 2025 Cost of Service/New Deferral Account Application
OEB File Number: EB-2024-0022 and EB-2024-0096**

On December 13, 2024, Essex Powerlines filed an update to its Reply submission on the Unsettled issue, to reflect scope and timing changes to the PowerShare Distribution System Operator (DSO) pilot project.

On December 16, 2024, SEC filed a letter on behalf of itself and VECC requesting that the OEB require Essex Powerlines to provide additional information regarding changes to the PowerShare DSO pilot project. SEC stated that the proposed changes constituted a material change to the evidence, and the proposal to amend the terms of the approved PowerShare Deferral Account should be considered a motion to vary based on new circumstances.¹ SEC requested that the OEB require Essex Powerlines to provide full details of the changes in scope and costs of the pilot, the reasons for the changes, a copy of the draft amended Contribution Agreement, and all other relevant information.

On December 17, 2024, Essex Powerlines filed a further update to its Reply submission including a copy of the amended Contribution agreement to provide additional context to the original letter filed on December 13, 2024. Essex Powerlines stated that on November 25, 2024, the IESO advised Essex Powerlines verbally that it would be changing the terms of the Contribution Agreement. On November 29, 2024, the IESO provided an initial draft of the Contribution Agreement to Essex Powerlines that included changes to: (i) the end date of the Contribution Agreement; (ii) the end date of the PowerShare DSO pilot project; and (iii) a reduction in PowerShare DSO pilot project funding. As a result, Essex Powerlines requested: (a) to withdraw the entire request for 2025 PowerShare DSO pilot project capital additions, thereby rendering moot the Unsettled Issue from the OEB Decision and Order EB-2024-0022 / EB-2024-0096 on

¹ Ontario Energy Board, [Rules of Practice and Procedure](#), Rule 11.02; Rule 40.01; 42.01(a)(ii)

October 15, 2024; and (b) to amend, if necessary, the terms of the PowerShare DVA issued in Decision and Order EB-2024-0096 on August 29, 2024 to: (i) reduce the cap from \$350,000 to \$255,000; and (ii) change the end date of the PowerShare DVA from March 31, 2026 to February 28, 2025.

The OEB is inviting intervenors and OEB staff to comment on the implications of Essex Powerlines request to withdraw its 2025 capital additions related to the PowerShare DSO pilot project and amend the terms of the PowerShare DVA. As part of this comment, intervenors and OEB staff may also indicate whether further information is needed in relation to the requests filed by Essex Powerlines. Essex Powerlines should provide a response to any comments received.

The OEB is making provision for the following procedural steps:

1. Intervenors and OEB staff shall indicate whether any additional information is required and provide their comments, if any, on the implications of Essex Powerlines' requests, by **January 20, 2025**. Copies of any intervenor correspondence in this regard is to be filed with the OEB and served on all parties.
2. Essex Powerlines shall file any response by **January 24, 2025**.

Yours truly,

Nancy Marconi
Registrar