



April 21, 2020

Ontario Energy Board
2300 Yonge Street, Suite 2700
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Long:

**Re: Elexicon Energy Inc. – Veridian Rate Zone
Implementation of May 1, 2020 Rates
OEB File No: EB-2019-0252**

Elexicon Energy Inc. (“Elexicon”) has reviewed the Ontario Energy Board’s (“OEB”) letter issued April 16, 2020 regarding May 1st rates as well as subsequent guidance provided on April 17th. Elexicon appreciates and shares the OEB’s concern regarding the severity and duration of the COVID-19 emergency, and its impact on both electricity distributors and its customers.

The Veridian Rate Zone (“VRZ”) application included a 1.7% increase in distribution rates in addition to updates to transmission service rates which are simply designed to allow for a recovery of costs billed to Elexicon by transmitters. The application did not request any additional rate riders to address other regulatory items. Elexicon has carefully reviewed the impact of its recently approved May 1 rates to determine how it can best assist customers during this difficult time, while continuing to ensure financial stability and continuity of services.

After careful consideration, Elexicon wishes to advise the OEB that it intends to defer implementation of its May 1st rates to at least November 1, 2020.

Elexicon currently has two rate zones which operate under separate rate years - May 1, for VRZ and January 1 for Whitby Rate Zone (“WRZ”). While Elexicon will continue to maintain separate rates for each rate zone until its next cost of service, it intends to propose harmonization to a common rate year (January 1) in 2021. This is expected to assist in streamlining rate application and implementation processes for both Elexicon and the OEB, and provide greater consistency and clarity for customers with respect to timing of future rate changes. With this in mind, Elexicon will continue to monitor the

elexiconenergy.com

Office T (905) 427-9870 T 1 (888) 445-2881 F (905) 619-0210

Customer Care T (905) 420-8440 T 1 (888) 420-0070 F (905) 837-7861

55 Taunton Rd. E.

Ajax, ON L1T 3V3



COVID-19 impacts over time and determine the best options available to minimize impacts to customers, should a harmonization of rate years be permitted. This would include a desire to avoid multiple rate changes within a limited timeframe which would be difficult and confusing for customers.

Elexicon continues to be focused on maintaining reliable power to its customers, while ensuring it operates in a manner that prioritizes the health and safety of its employees, customers and the community it serves. In addition, Elexicon's deferral of May 1st rates along with other currently available assistance programs, will help to provide some additional measure of financial support to customers.

Elexicon appreciates the OEB's support of the industry and all electricity customers during this difficult time and welcomes the continued communication and consultation with electricity distributors.

Please contact me if you have any questions.

Sincerely,

Susan Reffle
Manager, Regulatory Affairs
Elexicon Energy Inc.