

BY EMAIL AND WEB POSTING

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To: All Licensed and Rate-regulated Electricity Distributors

All Other Interested Parties

Re: Update on Activity and Program-based Benchmarking: Enhancements

Initiative (EB-2018-0278)

On <u>February 25, 2022</u>, the Ontario Energy Board (OEB) announced changes to certain unit cost metric calculations within the Activity and Program-based Benchmarking (APB) framework to help drive utility performance and support efficiencies in the regulatory process.

Using these improved calculations along with the results of a limited data survey, OEB staff has updated all the unit cost results for fiscal 2018, 2019, and 2020 in a new Report to the Ontario Energy Board – Activities and Program Benchmarking: 2020 Results. The project's consultant, Pacific Economics Group Research LLC, has also updated all of the econometric model results to incorporate new data and align with the 2018 to 2020 time period.

As noted in Chapter 2 of the OEB's <u>filing requirements</u> for electricity distribution rate applications, distributors submitting 2023 Cost of Service rate applications must review the most current APB results and discuss their performance for each program.

Any questions relating to this letter can be directed to the Performance Analytics & Reporting team at performance_reporting@oeb.ca or contact us at the OEB's toll-free number 1-888-632-6273.

Sincerely,

Brian Hewson Vice President, Consumer Protection & Industry Performance