

July 31, 2015

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
26th Floor, Box 2319  
Toronto, ON M4P 1E4

Dear Ms. Walli

**Re: PowerStream Inc. 2016 -2020 Electricity Distribution Rate Adjustment  
Application EB-2015-0003 - Letter of Comment**

PowerStream acknowledges the July 7, 2015 letter of comment from Michelle Butt and Dennis Moat regarding PowerStream Inc.'s rate application EB-2015-0003.

PowerStream understands its customers' concerns regarding rising costs. PowerStream's approved distribution charges form part of the Delivery Line and represent approximately 20% of a typical Residential customer's bill. The remaining items on the bill, mainly electricity, are billed at PowerStream's cost without mark-up.

PowerStream works diligently to control its costs and look for ways to keep its portion of the electricity bill as small as possible while still providing the reliability and service desired by its customers, meeting its mandatory obligations and maintaining safety for its employees, customers and the general public.

There is a growing need to sustain PowerStream's distribution assets to maintain reliability. Significant capital spending is for replacement of assets that were originally paid for by developers and never reflected in rates. The replacement cost is the responsibility of the utility however and must be recovered through rates. This puts upward pressure on rates.

PowerStream requests that the Board forward this letter to Michelle Butt and Dennis Moat.

Yours truly,

*Original signed by Tom Barrett*

Tom Barrett  
Manager, Rate Applications