



*Keeping Your Future Bright!*

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September 21, 2015

Delivered via EMAIL and RESS

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, Ontario , M4P 1E4

Dear Ms. Walli;

**Re: Woodstock Hydro Services Inc.  
2016 Electricity Distribution Rate Application  
Residential Rate Design Change**

Pursuant to the Ontario Energy Board (the "Board") Decision and Order dated September 11, 2015, with respect to the applications for the acquisition of Woodstock Hydro by Hydro One Inc. (EB-2014-0213), the Board approved a one percent reduction in Woodstock Hydro's 2014 electricity distribution rates, frozen for 5 years.

On September 21, 2015, Woodstock Hydro submitted its Draft Rate Order as directed under this Decision and Order, with an effective date of October 31, 2015.

On April 2, 2015, the Board released its Policy entitled *A New Distribution Rate Design for Residential Electricity Customers (EB-2012-0410)*, followed by its implementation letter, dated at July 16, 2015, which states "

*"The OEB expects that all distributors will file an application for 2016 rates to begin the implementation of fixed residential distribution rates even if the distributor had not planned to file a rate change application in 2016. Given that fixed rates for residential classes are revenue neutral, the OEB is of the view that adjustments to the residential rate structure should be carried out in distribution service areas even where a rate freeze is in effect due to a merger agreement."*

Accordingly, Woodstock Hydro now intends to file an application for 2016 rates to begin the implementation of fixed residential distribution rates, to be effective January 1, 2016. We expect to submit this application by October 2, 2015, and respectfully request that the Board provide Woodstock Hydro with a pre-assigned proceeding file number to include with its submission.

Yours truly,

Patricia Eitel CPA, CGA, P.Mgr  
Manager of Accounting and Regulatory Affairs  
Woodstock Hydro Services Inc.