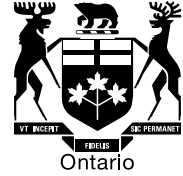


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**BY E-MAIL**  
lisewilkinson@hydro2000.ca

May 13, 2019

Lise Wilkinson  
Manager  
Hydro 2000 Inc.  
440, rue St-Philippe St. CP/PO Box 370  
Alfred, ON K0B 1A0

Dear Ms. Wilkinson:

**Re: Application for 2019 Electricity Rates \_ EB-2018-0039**

This letter is in response to your letter expressing an interest to defer Hydro 2000 Inc.'s (Hydro 2000) rebasing of its rates beyond the 2019 rate year.

The Ontario Energy Board (OEB) has reviewed your letter, as well as Hydro 2000's financial performance and is concerned by the declining return on equity. Hydro 2000 has proposed to file a rebasing application in August 2019 for 2020 rates. The OEB expects Hydro 2000 to file a rebasing application for 2020 rates and will not grant further deferral requests.

If Hydro 2000 intends to seek a rate adjustment for 2019 rates, the OEB expects Hydro 2000 to adhere to the process for Price Cap Incentive Rate-setting applications for the 2019 rate year.

Yours truly,

*Original signed by*

Kirsten Walli  
Board Secretary