

Sioux Lookout Hydro Inc. P.O. Box 908, 25 Fifth Ave. Sioux Lookout, ON P8T 1B3 Tel: (807)737-3800

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August 3, 2012

Ontario Energy Board Kirsten Walli, Board Secretary P.O. Box 2319, 27th Floor 2300 Yonge Street Toronto, ON M4P 1E4

Re: Sioux Lookout Hydro Inc. 2012 Cost of Service Application EB-2012-0165

Dear Ms. Walli:

Sioux Lookout Hydro Inc. is among the group of LDCs identified in the Board's letter of January 26, 2012 of electricity distributors scheduled to file 2013 Cost of Service rate applications. In the letter, the Board noted that it encourages distributors who are filing cost of service rate applications for 2013 rates, to do so no later than August 31, 2012.

Sioux Lookout Hydro wishes to notify the Board that, due to some unforeseen circumstances, their 2013 Cost of Service Application will be delayed in filing. Major contributors to this delay are:

- President/CEO retirement, and subsequent organizational restructuring
- CFO performing interim as President and then subsequent appointment to President/CEO
- Staffing shortage in the finance department due to the above
- Resources devoted to the preparation, submission and interrogatory process with respect to the Smart Meter Stand alone Application

Sioux Lookout Hydro has just completed the hiring process to replace the finance department vacancy and will be focused on training in the coming weeks, but intends to devote as much time as possible to the Cost of Service Application. The company will make every effort to file the 2012 Cost of Service Application at the earliest possible date.

If the Board has any questions regarding this matter, please do not hesitate to contact me at (807)737-3800 or dkulchyski@tbaytel.net.

Sincerely,

Original Signed By

Deanne Kulchyski, CGA, BComm(Hons) President/CEO