

PETERBOROUGH DISTRIBUTION INC.

1867 Ashburnham Drive, PO Box 4125, Station Main Peterborough ON K9J 6Z5

August 14, 2013

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

Dear: Ms. Walli

Re: Peterborough Distribution Inc. (PDI) 2013 Cost of Service Electricity Distribution Rate Application EB-2012-0160 Proposed Settlement Agreement Correction

Peterborough Distribution Inc. ("PDI") filed a settlement proposal on July 25, 2013 in the above noted case. Subsequent to filing this proposal, PDI has identified typographical errors in Appendix C – Cost of Power Calculation, and Appendix J – Proposed 2013 Schedule of Rates and Charges.

As a result, PDI is requesting the following amendments to its filed settlement agreement:

- An updated revenue requirement to reflect the correct cost of power, as outlined in the Settlement Agreement section 2.2, using the Wholesale Market Service charge and Rural or Remote Electricity Rate Protection costs effective May 1, 2013; and
- Revised low voltage rates for GS>50, Large User, Sentinel Lighting, and Street Lighting classes, consistent with the evidence provided in Appendix C.

PDI has been in contact with the intervenors for this rate application (VECC, SEC and Energy Probe) and they accept the proposed changes.

The following items in PDI's settlement agreement have been amended to reflect the above changes:

- 8.0 Rate Design Revenue Cost Ratios and Fixed/Variable Revenue
- Appendix C Cost of Power Forecast
- Appendix J Proposed 2013 Schedule of Rates and Charges
- Appendix M Bill Impacts

- Appendix Q Revised Rate Rider for Revenue Differences Effective Date vs Implementation Date
- Cost Allocation Model
- Revenue Requirement Work Form

Excel versions of related models and Board Appendices will be filed electronically, and two paper copies of the proposed Settlement Agreement corrections will be delivered by courier.

We trust that this is satisfactory. If you require any further information, please contact the undersigned.

Sincerely,

Byron Thompson Chief Financial Officer Peterborough Distribution Inc. Peterborough, Ontario Email: <u>bthompson@peterboroughutilities.ca</u> Phone: 705-748-9301 x 1283