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April 28, 2015

VIA COURIER, EMAIL AND RESS

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Essex Powerlines Corporation ("EPL")
Supplemental Response to J3
Board File No. EB-2014-0072 & EB-2014-0301

This letter is in response to communication from the School Energy Coalition dated April 26, 2015 which we have excerpted below:

> *In the response to Undertaking J3, Essex Powerlines writes: "A greater than 10% reduction in the regulated return would cause EPLC to be operating at the edge of the violated its debt covenants." As is clear from the transcript pages 55-56, the question posed, and what the undertaking was given on, was not the reduction in the regulated return, but the percentage of the $3.8M over-collection that could be returned in one year without having the cash flow issues Essex Powerlines discusses in response to SEC Additional Question No. 7. I would ask that Essex Powerlines please provide a response to the question as posed in the transcript (p.55, Ln.11-14).*

However, EPL would note the undertaking was further discussed at page 56, lines 14 and 15 of the transcript which is provided below:

> "*To calculate at what percentages of the return do the cash flow issues not occur."*

The undertaking from the transcript was worded with respect to the return rather than the overpayment amount. Since there was no correction of the undertaking that we are aware of, we have answered the undertaking based on the return percentage.

To clarify further, any amount over $380,000 would trigger a default in our debt service coverage ratio with our lender.

Respectively,

Richard Dimmel, CPA, CMA
Vice President, Regulatory Affairs

CC: Board Secretary
Intervenors of Record