Ontario Energy Board P.O. Box 2319 27th Floor 2300 Yonge Street Toronto ON M4P 1E4 Telephone: 416- 481-1967 Facsimile: 416- 440-7656 Toll free: 1-888-632-6273 Commission de l'énergie de l'Ontario C.P. 2319 27° étage 2300, rue Yonge Toronto ON M4P 1E4 Téléphone : 416-481-1967 Télécopieur: 416-440-7656 Numéro sans frais: 1-888-632-6273



BY E-MAIL

May 8, 2015

Graig Pettit Erie Thames Powerlines Corporation P.O. Box 157 143 Bell Street Ingersoll ON N5H 3G3

Dear Mr. Pettit:

Re: Application for 2016 Electricity Rates

The OEB is in receipt of your letter requesting that Erie Thames Powerlines Corporation be permitted to defer the rebasing of its rates beyond the 2016 rate year.

The OEB has considered the rationale for deferral set out in your letter, as well as the following:

- Erie Thames Powerlines' financial position, as shown in its audited financial statements and financial reporting to the OEB; and
- Erie Thames Powerlines' 3-year performance with respect to system reliability indicators and electricity service quality requirements/indicators, as reported to the OEB.

Based on these considerations, the OEB has concluded that it will not require Erie Thames Powerlines' 2016 rates to be set on a cost of service basis. The OEB will place Erie Thames Powerlines on the list of distributors whose rates will be scheduled for rebasing for the 2017 rate year.

If Erie Thames Powerlines intends to seek a rate adjustment for 2016 rates, the OEB expects Erie Thames Powerlines to adhere to the process for Price Cap Incentive Ratesetting applications for the 2016 rate year as may be determined by the OEB.

Yours truly,

Originally Signed By

Kirsten Walli Board Secretary