

Ontario Energy Board
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Commission de l'énergie de l'Ontario
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BY E-MAIL

May 8, 2015

Patricia Eitel CPA, CGA, P. Mgr
Manager of Accounting and Regulatory Affairs
Woodstock Hydro Services Inc.
16 Graham Street,
P. O. Box 1598
Woodstock ON N4S 0A8

Dear Ms. Eitel:

Re: Applications for 2016 Electricity Rates

The OEB is in receipt of your letter requesting that Woodstock Hydro Services Inc. 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:

- Woodstock Hydro's financial position, as shown in its audited financial statements and financial reporting to the OEB; and
- Woodstock Hydro's 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 Woodstock Hydro's 2016 rates to be set on a cost of service basis. The OEB notes that there is an application by Hydro One currently before the OEB to purchase the shares of Woodstock Hydro Services Inc.

If Woodstock Hydro intends to seek a rate adjustment for 2016 rates, the OEB expects Woodstock Hydro to adhere to the process for Price Cap Incentive Rate-setting applications for the 2016 rate year as may be determined by the OEB.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary