

2730 Highway #3,
Oldcastle, ON N0R 1L0

Telephone (519) 737-9811
Fax (519) 737-7064



July 28, 2015

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board
2300 Yonge Street, 26th Floor, P.O. Box 2319
Toronto, ON M4P 1E4

Re: Essex Powerlines Corporation 2016 Cost of Service Deferral and IRM Process.

Dear Ms. Walli:

I am writing further to your letter dated July 21, 2015 which, amongst other things, granted Essex Powerlines Corporation ("EPLC") the option to defer setting its 2016 rates on a cost of service basis. The within letter confirms EPLC's intention to exercise the option provided as it will in fact defer setting its 2016 rates on a cost of service basis. We confirm that EPLC should be placed on the list of distributors whose rates will be scheduled for rebasing for the 2017 rate year.

As for its 2016 rates, EPLC hereby advises the OEB of its intent to adhere to the process for Price Cap Incentive Rate-setting application for the 2016 rate year. However, EPLC requires clarification and direction from the OEB in this regard since it has not been assigned to one of the four LDC streams for 2016 filing purposes pursuant to the *Scope and Timing of IRM Process* contained in the *Filing Requirements for Electricity Distribution Rate Applications: Chapter 1 – Overview, Chapter 2 – Cost of Service and Chapter 3 – Incentive Rate-Setting* issued July 16, 2015.

We understand that applicants for May 1, 2016 rates have been assigned to one of three filing dates (September 29, October 19 or November 2, 2015) based on the expected level of complexity of their respective applications. We also understand that the assignments were based on the results of a survey of distributors circulated June 9, 2015. Given that EPLC was scheduled to set its 2016 rates on a cost of service basis prior to the above-noted deferral being granted and accepted we therefore request to be assigned to the latest stream (Stream 4 - November 2, 2015) with respect to its 2016 Price Cap and Annual Index application.

We look forward to hearing from you and remain,

Yours very truly,

A handwritten signature in black ink, appearing to read 'Joe Barile', with a small mark at the end.

Joe Barile
General Manager
jbarile@essexpowerlines.ca