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

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BY E-MAIL

September 16, 2015

Mary Caputi Oakville Hydro Electricity Distribution Inc. 861 Redwood Square P.O. Box 1900 Oakville ON L6K 0C7

Dear Ms. Caputi:

Re: Oakville Hydro Electricity Distribution Inc. (Oakville Hydro) Application for 2016 Rates Ontario Energy Board File Number EB-2015-0094

The Ontario Energy Board (OEB) staff has completed a preliminary review of Oakville Hydro's 2016 IRM application. The OEB is unable to continue to process the application at this time because it is incomplete.

The OEB reached this conclusion after considering the commitments made by parties to the settlement proposal filed by Oakville Hydro on April 17, 2014 in conjunction with the applicant's last rebasing application (EB-2013-0159) and accepted by the OEB on May 1, 2014. In the settlement proposal, Oakville Hydro and the HVAC Coalition committed to retain an independent consultant to conduct a study of all cost allocation between the regulated utility and its affiliate in relation to water heaters and to its heating and ventilation business. The parties agreed that the study would be filed with Oakville Hydro's 2016 rate application.

In a letter to the OEB dated August 21, 2015, Oakville Hydro reported that the study is not ready for submission with the current rate application and that Oakville Hydro anticipates filing the study with its 2017 rate application.

Should Oakville Hydro wish to proceed with its 2016 IRM application, the OEB expects it to include this study in accordance with the terms of settlement which are binding on all parties and have been accepted by the OEB.

Please direct any questions relating to this application to Katherine Wang, Analyst at 416-440-7619 or Katherine.Wang@ontarioenergyboard.ca.

Yours truly,

Original signed by

John Pickernell Applications Administration