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October 5, 2015

Delivered by RESS, Email and Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
Suite 2701
Toronto, ON M4P 1E4

Dear Ms. Walli

**Re: Guelph Hydro Electric Systems Inc. (“GHESI”)
Application for approval of just and reasonable rates and other charges
effective Jan. 1, 2016 (Board File No. EB-2015-0073) (the “Application”)**

We are counsel to GHESI in respect of the above noted matter. We are writing in respect of the submissions filed by OEB staff on October 1, 2015 (“**Staff Submissions**”), which raise two (2) matters that should properly be dealt with in a process or processes outside of the current Application.

Specifically, at pages 13-16 of Staff Submissions:

1. *Specific Service Charges – Bond Connection*: “The matter of charging for these services without a valid rate order in previous periods is a matter that will be dealt with in a separate process, and in OEB staff’s view does not affect the reasonableness of the Settlement Proposal to charge these rates going forward.”
2. *Control Room Services Arrangement*: “That being said, in the event the OEB approves the Settlement Proposal, the OEB may wish to note in its decision that while it is accepting the rate consequences of this arrangement, the OEB would not be bound by this arrangement going forward, pending any prospective generic outcome or decision by the OEB of whether outsourcing control room services between distributors is a valid activity under the OEB Act and distribution licenses.”

The Staff Submissions imply a separate process in respect of the first matter, and some prospective generic outcome or decision in respect of the second matter.

For the three (3) reasons that follow, GHESI submits that these matters should be dealt with in a separate process or processes and not as part of the current Application.

First, neither of these issues were included on the Board approved issues list for this Application.

Second, during the interrogatory and technical conference phases of this proceeding, the Applicant was not advised of these matters. As a result, the Board cannot be confident that it has the benefit of a complete evidentiary record as it relates to these matters.

Third, other than OEB staff, no other party (including but not limited to GHESI) has been given an opportunity to provide submissions in respect of either of these matters.

Yours very truly,

BORDEN LADNER GERVAIS LLP

Per:

Original Signed by John Vellone

John A.D. Vellone

cc: Cristina Birceanu, GHESI
Parties in EB-2015-0073