

October 19, 2015

Delivered via EMAIL and RESS

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street, 27th Floor Toronto, Ontario, M4P 1E4

Dear Ms. Walli;

Re: EB-2015-0271

Woodstock Hydro Services Inc.

2016 Electricity Distribution Rate Application

Residential Rate Design Change

Pursuant to the Ontario Energy Board (the "Board"") Decision and Order dated September 11, 2015, with respect to the applications for the acquisition of Woodstock Hydro by Hydro One Inc. (EB-2014-0213), the Board approved a one percent reduction in Woodstock Hydro's 2014 electricity distribution rates, frozen for 5 years. On October 16, 2015, the Board issued the Final Rate Order, with an effective date of October 31, 2015.

On April 2, 2015, the Board released its Policy entitled *A New Distribution Rate Design for Residential Electricity Customers (EB-2012-0410)*, followed by its implementation letter, dated at July 16, 2015, which states "

"The OEB expects that all distributors will file an application for 2016 rates to begin the implementation of fixed residential distribution rates even if the distributor had not planned to file a rate change application in 2016. Given that fixed rates for residential classes are revenue neutral, the OEB is of the view that adjustments to the residential rate structure should be carried out in distribution service areas even where a rate freeze is in effect due to a merger agreement."

Accordingly, Woodstock Hydro hereby submits its application to begin the implementation of fixed residential distribution rates to be effective January 1, 2016.

Yours truly,

original signed by

Patricia Eitel CPA, CGA, P.Mgr Manager of Accounting and Regulatory Affairs Woodstock Hydro Services Inc.