



October 20, 2015

Delivered by RESS, Email and Courier

Kirsten Walli
Board Secretary
Ontario Energy Board,
2300 Yonge St.
Suite 2700, P.O. Box 2319
Toronto, Ontario, M4P 1E4

Dear Ms. Walli:

**Re: Guelph Hydro Electric Systems Inc. ("Guelph Hydro")
Board File No. EB-2015-0073 – Settlement Proposal Update**

Please find accompanying this letter Guelph Hydro's updated Settlement Proposal as a result of the *Cost of Capital Parameter Updates for 2016 Applications* letter issued by the Board on October 15, 2015. In addition, Guelph Hydro has updated the 2016 weighted debt rate to reflect the long-term debt rate for the new long term debt issued in September 2015. Appendix J of the updated Settlement Proposal provides further information regarding the new long-term debt issue.

All updated paragraphs, tables and sections were right side bordered.

In addition to its updated Settlement Proposal, Guelph Hydro has updated and filed through the Board's RESS webportal the following models in Excel format:

1. Guelph_Settlement_Updated_Detailed_CA_Model_RUN1_20151020
2. Guelph_Settlement_Updated_EDDVAR_Continuity_Schedule_CoS_20151020
3. Guelph_Settlement_Updated_Filing_Requirements_Chapter2_Appendices_20151020
4. Guelph_Settlement_Updated_Rev_Reqt_Work_Form_20151020
5. Guelph_Settlement_Updated_Test_year_Income_Tax_PILs_Workform_20151020

Instructions for updating copies of pre-filed evidence are provided as Attachment A to this letter.



Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "C. Birceanu", is written over the printed name.

Cristina Birceanu

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Guelph Hydro Electric Systems Inc.

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Wayne McNally, Jay Shepherd, Mark Rubenstein, Shelley Grice, SEC
Michael Janigan, Mark Garner, Bill Harper, VECC

EB-2015-0073 - 2016 Guelph Hydro Electricity Systems Inc.
Electricity Distribution Rate - Settlement Proposal - Attachment A, Update Instructions

Updates

Settlement Proposal,	Cover,	Date	Update		
Settlement Proposal,	Table of Contents,	Appendix J	Update	Table of Contents	
Settlement Proposal,	Live Excel Models	Updated file names	Update	Table of Contents	
Settlement Proposal,	Settlement Proposal,	Filed with the Ontario Energy Board: Date	Update	Page	4
Settlement Proposal,	Summary,	Table 1: Revenue Requirement	Update	Page	8
Settlement Proposal,	Issue 2.1,	Table 3-a: Rate Base Calculation	Update	Page	16
Settlement Proposal,	Issue 2.1,	a) updated weighted debt rate	Update	Page	16
Settlement Proposal,	Issue 2.1,	Table 3-b: Long Term Debt Interest and Interest Rate calculation	Update	Page	17
Settlement Proposal,	Issue 2.1,	Table 3-c: Weighted Debt Cost Calculation	Update	Page	17
Settlement Proposal,	Issue 2.1,	b) and c) deleted; e) changed to c)	Update	Page	17
Settlement Proposal,	Issue 2.1,	Updated PILs and Filing Requirements Chapter 2 file names	Update	Page	18
Settlement Proposal,	Issue 2.2,	Updated RRWF file name	Update	Page	19
Settlement Proposal,	Issue 3.2,	Table 5: Revenue-to-cost Ratios	Update	Page	22
Settlement Proposal,	Issue 3.2,	Updated CA Model file name	Update	Page	22
Settlement Proposal,	Issue 3.3,	Table 6: Distribution Charges	Update	Page	23
Settlement Proposal,	Issue 3.3,	Updated Filing Requirements Chapter 2 file name	Update	Page	24
Settlement Proposal,	Issue 4.1,	Table 9 - Account 1576 - Accounting Changes for Depreciation	Update	Page	28
Settlement Proposal,	Issue 4.1,	Table 10 - Allocation of 1576 Balance by Customer Class	Update	Page	28
Settlement Proposal,	Issue 4.1,	Table 11 - Rate Rider Calculation for Account 1576	Update	Page	29
Settlement Proposal,	Issue 4.1,	Updated EDDVAR file name	Update	Page	29
Settlement Proposal,	Issue 4.2,	Updated EDDVAR file name	Update	Page	31
Settlement Proposal,	Appendix A	2016 Tariff of Rates and Charges	Update	Page	36
Settlement Proposal,	Appendix D	Bill Impacts	Update	Page	43
Settlement Proposal,	Appendix F	OEB Appendix 2-EB	Update	Page	49
Settlement Proposal,	Appendix I	Revenue Requirement Work Form	Update	Pages	57
Settlement Proposal,	Appendix J	LTD- September 2015	Update	Page	58