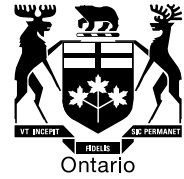


**Ontario Energy
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BY E-MAIL

mnanninga@kwhydro.ca

November 13, 2015

Ms. Margaret Nanninga
Kitchener Wilmot Hydro Inc.
301 Victoria Street South
P.O. Box 9010
Kitchener, ON N2G 4L2

Dear Ms. Nanninga:

**Re: Kitchener-Wilmot Hydro Inc.
Application for Rates
OEB File Number EB-2015-0084**

As outlined in the case management letter issued on September 9, 2015, the Ontario Energy Board's (OEB) Vice President, Applications has been delegated authority under Section 6 of the *Ontario Energy Board Act, 1998* to make a decision on the 2016 Price Cap IR application filed by Kitchener-Wilmot Hydro Inc. on August 17, 2015. All relevant information and updates to the application have now been provided.

Attached to this letter is a draft of the decision the delegated authority proposes to make based on the application and any subsequent updates or clarifications. Please review the decision and provide any comments, including, in particular, whether Kitchener-Wilmot is aware of any further reasons or considerations that, in its view, suggest that the applicant should refrain from disposing of Group 1 deferral and variance balances in 2016. Please also review the accompanying draft Rate Order for accuracy and completeness. Any comments are to be provided no later than November 27, 2015.

The Vice President, Applications will consider your comments, if any, provided they have been received by the deadline, and issue a final decision and rate order in due course.

You will notice that this draft decision does not reflect any rate changes to regulatory charges for 2016. If the OEB orders a change to regulatory charges before the issuance of this final decision, your case manager will update the model and decision accordingly. Any further changes to the models will be documented and provided to you for review before the decision is finalized.

Any questions relating to this letter or your application should be directed to Rudina Gjinali at 416-440-7662 or Rudina.Gjinali@ontarioenergyboard.ca.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary