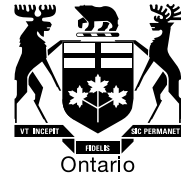


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BY E-MAIL

November 30, 2015

Phil Martin
Oshawa PUC Networks Inc.
100 Simcoe Street South
Oshawa, ON L1H 7M7

Dear Mr. Martin:

**Re: Oshawa PUC Networks Inc.
Application for Distribution Rates
Board File Number EB-2014-0101
OEB staff comments on Oshawa PUC Draft Rate Order**

As directed by the Ontario Energy Board (OEB) in its November 12, 2015 decision, Oshawa PUC Networks Inc. (Oshawa PUC) filed its draft rate order on November 23, 2015.

Intervenors and OEB staff were provided the opportunity to comment on the draft rate order by November 30, 2015.

OEB staff reviewed the draft rate order as filed and has the following comments:

- 1) **Lost Revenue Rate Rider:** Staff is unclear on how the amount of lost revenue was calculated and suggests that Oshawa PUC amend its methodology by comparing 4th quarter revenues under existing rates and then under the 2015 rates resulting from this Decision. Staff also notes that the rate rider for 2016 should be calculated on a fixed monthly charge basis as indicated in Section 2.8.2 of the Distribution Filing Requirements.
- 2) **Transition to fully fixed Residential distribution rates, starting in 2017:** Oshawa PUC should file Appendix 2-PA as noted in Section 2.8.2 of the Distribution Filing Requirements.

- 3) Rate Schedules: Oshawa PUC should update the Tariff of Rates and Charges with the updated WMSR value of \$0.0036 per kWh and also add the OESP value of \$0.0011 per kWh.
- 4) Bill and Rate Impacts: Oshawa PUC should remove Debt Retirement Charge (DRC) and the Ontario Clean Energy Benefit (OCEB) from the Bill and Rate Impact Schedules, as well as use the WMSR changes, add the OESP value and the updated RPP rates.
- 5) Format of Rate Schedules: Oshawa PUC should resubmit its tariff of Rates and Charges in the format used by the OEB, including the OESP additions to the Residential rate class pages.
- 6) Draft Accounting Order: Oshawa PUC should resubmit its draft accounting order to reflect the OEB's requirements, similar to the Accounting Order for Kingston Hydro Corporation, EB-2015-0083.

Please direct any questions relating to this application to Harold Thiessen, Sr. Advisor at 416-440-7637 or harold.thiessen@ontarioenergyboard.ca.

Yours truly,

Original signed by

Harold Thiessen
Ontario Energy Board staff
Case Manager, EB-2014-0101