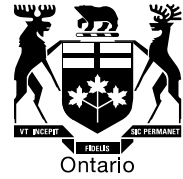


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BY E-MAIL

January 8, 2016

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

Dear Ms. Walli:

**Re: Entegrus Powerlines Inc.
2016 Distribution Rate Application
Proposed Issues List
OEB File No. EB-2015-0061**

In accordance with Procedural Order #1, OEB staff advises the OEB that parties have come to an agreement regarding an issues list for Entegrus Powerlines Inc.'s 2016 distribution rate application.

Please see the attached proposed issues list.

Yours truly,

Original Signed By

Stephen Vetsis
Advisor – Electricity Rates and Prices

Encl.

PROPOSED ISSUES LIST
EB-2015-0061
Entegrus Powerlines Inc. (“Entegrus”)

1. PLANNING

1.1 Capital

Is the level of planned capital expenditures appropriate and is the rationale for planning and pacing choices appropriate and adequately explained, giving due consideration to:

- customer feedback and preferences;
- productivity;
- benchmarking of costs;
- reliability and service quality;
- impact on distribution rates;
- trade-offs with OM&A spending;
- government-mandated obligations; and
- the objectives of the Applicant and its customers.

1.2 OM&A

Is the level of planned OM&A expenditures appropriate and is the rationale for planning choices appropriate and adequately explained, giving due consideration to:

- customer feedback and preferences;
- productivity;
- benchmarking of costs;
- reliability and service quality;
- impact on distribution rates;
- trade-offs with capital spending;
- government-mandated obligations; and
- the objectives of the Applicant and its customers.

2. REVENUE REQUIREMENT

2.1 Are all elements of the Revenue Requirement reasonable, and have they been appropriately determined in accordance with OEB policies and practices?

2.2 Has the Revenue Requirement been accurately determined based on these elements?

3. LOAD FORECAST, COST ALLOCATION AND RATE DESIGN

3.1 Are the proposed load and customer forecast, loss factors, CDM adjustments and resulting billing determinants appropriate, and, to the extent applicable,

are they an appropriate reflection of the energy and demand requirements of the applicant's customers?

3.2 Is the proposed cost allocation methodology, allocations, and revenue-to-cost ratios appropriate?

3.3 Are the applicant's proposals for rate design appropriate?

3.4 Are the proposed Retail Transmission Service Rates and Low Voltage service rates appropriate?

4. ACCOUNTING

4.1 Have all impacts of any changes in accounting standards, policies, estimates and adjustments been properly identified and recorded, and is the rate-making treatment of each of these impacts appropriate?

4.2 Are the applicant's proposals for deferral and variance accounts, including the balances in the existing accounts and their disposition and the continuation of existing accounts, appropriate?

5. OTHER

5.1 Is the proposal for harmonizing rates and charges across Entegrus' rate zones appropriate?