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**Commission de l'énergie
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BY E-MAIL
cshuttleworth@collus.com

July 5, 2016

Cindy Shuttleworth
Chief Financial Officer
Collus PowerStream Corp.
43 Stewart Road
Collingwood, ON L9Y 4M7

Dear Ms. Shuttleworth:

Re: Applications for 2017 Electricity Rates

This letter is in response to your letter expressing an interest to defer Collus PowerStream Corp.'s (Collus PowerStream) rebasing of its rates beyond the 2017 rate year.

The OEB has reviewed your letter, as well as Collus PowerStream's financial and non-financial scorecard performance from 2010 to 2015. Based on this review, the OEB has concluded that it will not require Collus PowerStream's 2017 rates to be set on a cost of service basis. The OEB will place Collus PowerStream on the list of distributors whose rates will be scheduled for rebasing for the 2018 rate year.

If Collus PowerStream intends to seek a rate adjustment for 2017 rates, the OEB expects Collus PowerStream to adhere to the process for Price Cap Incentive Rate-setting applications for the 2017 rate year.

If Collus PowerStream subsequently seeks a further deferral the OEB will consider whether the Annual Incentive Rate-setting Index method that was developed for distributors intending longer periods without rebasing should be applied. The OEB will also consider whether the filing of a distribution system plan would be required at that time.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary