

**Ontario Energy Board**  
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**Commission de l'énergie de l'Ontario**  
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**BY E-MAIL**

July 5, 2016

Larry McCabe  
President  
West Coast Huron Energy Inc.  
57 West Street  
Goderich, ON N7A 2K5

[lmccabe@goderich.ca](mailto:lmccabe@goderich.ca)

Dear Mr. McCabe:

**Re: Applications for 2017 Electricity Rates**

This letter is in response to your letter expressing an interest to defer West Coast Huron Energy Inc.'s (West Coast Huron Energy) rebasing of its rates beyond the 2017 rate year.

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

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

If West Coast Huron Energy 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