

September 16, 2016

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street, 26th Floor, P.O. Box 2319 Toronto, ON M4P 1E4

Re: Lakefront Utilities Inc. 2017 COS Rates Application

Settlement Proposal Delay Board File No.: EB-2016-0089

Dear Ms. Walli:

Pursuant to Procedural Order No. 2 in the above noted matter, the Ontario Energy Board ("OEB") ordered that any settlement proposal arising from the settlement conference shall be filed with the OEB by September 16, 2016.

We are writing to inform the Board that the parties continue to work diligently towards a possible settlement, however Lakefront Utilities Inc. ("LUI") cannot meet the September 16, 2016 deadline. LUI respectfully requests an extension to this requirement. The parties will continue to work diligently through the remaining issues to finalize any possible settlement. LUI will exercise best efforts to file the settlement proposal arising from the settlement conference on or before September 21, 2016.

Should the board have questions regarding this matter please contact Adam Giddings at agiddings@lusi.on.ca or myself at dpaul@lusi.on.ca

Respectfully Submitted,

Dereck C. Paul President Lakefront Utilities Inc.

Cc: Adam Giddings, CPA, CA

Manager of Regulatory Compliance and Finance