

LakelandPower

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November 21, 2016

Ontario Energy Board
P.O. Box 2319
27th Floor, 2300 Yonge Street
Toronto, Ontario
M4P 1E4
Attention: Ms. K. Walli, Board Secretary

**Re: Lakeland Power Distribution Ltd. (LPDL) and Parry Sound Power Corporation (PSPC)
2017 IRM4 Electricity Distribution Rate Application,
OEB File No. EB-2016-0090**

Dear Ms. K. Walli:

Lakeland Power Distribution Ltd. Is in receipt of the draft decision on its 2014 IRM Rate application.

While Lakeland is in agreement with the majority of the findings, Lakeland would like to have further discussion on the findings regarding Group 1 Deferral and Variance account balances for The Parry Sound Service Area. Lakeland would like to clarify the amounts indicated as to the years involved in the variance. Lakeland agrees that \$65,112.46 pertains to years that have been previously disposed of and agrees that the entry allocation be reversed between the two accounts.

The majority of the balance of the variances, pertains to years after 2011, specifically the payment to the IESO for GA on embedded generation. The hydro-electric generation produced in the service area was not included in the calculation of GA when submitting Form 1598 to IESO for 2012-2014. This was rectified in 2015 and subsequently remitted to the IESO. Lakeland would like to have this portion reconsidered for disposal and would also like to change the disposal period from 12 to 24 months in order to limit the impact.

Should there be any questions, please contact me at the number above.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Margaret Maw". The signature is fluid and cursive, with the first name "Margaret" written in a larger, more prominent script than the last name "Maw".

Margaret Maw

Chief Financial Officer

Lakeland Power Distribution Ltd.