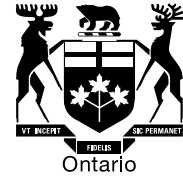


Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

Commission de l'énergie de l'Ontario
C.P. 2319
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



BY E-MAIL
cbirceanu@guelphhydro.com

November 25, 2016

Cristina Birceanu
Guelph Hydro Electric Systems Inc.
395 Southgate Drive
Guelph ON N1G 4Y1

Dear Ms. Birceanu:

**Re: Guelph Hydro Electric Systems Inc.
Application for Rates
OEB File Number EB-2016-0075**

As outlined in the case management letter issued on September 6, 2016, the Ontario Energy Board's (OEB) Vice President, Applications has been delegated authority under Section 6 of the *Ontario Energy Board Act, 1998* to make a decision on the 2017 Price Cap IR application filed by Guelph Hydro Electric Systems Inc. (Guelph Hydro) on August 15, 2016. All relevant information and updates to the application have now been provided. Any further changes to the models will be documented and provided to you for review.

Attached to this letter is a draft of the decision the delegated authority proposes to make based on the application and any subsequent updates or clarifications. Please review the decision and provide any comments. Please also review the accompanying draft Rate Order for accuracy and completeness. Any comments are to be provided no later than December 8, 2016.

For the draft finding in the LRAMVA section, the OEB has calculated the LRAMVA amount during the 2011 to 2013 period related to adjustments made to the CDM savings to be \$132,150. OEB staff can provide details of this calculation for review by Guelph Hydro.

The Vice President, Applications will consider your comments, if any, provided they have been received by the deadline, and issue a final decision and rate order in due course.

You will notice that this draft decision does not reflect any rate changes to regulatory charges for 2017. If the OEB orders a change to regulatory charges before the issuance of this final decision, your case manager will update the model and decision accordingly. Any further changes to the models will be documented and provided to you for review before the decision is finalized.

Any questions relating to this letter or your application should be directed to Katherine Wang, Analyst at 416-440-7619 or katherine.wang@ontarioenergyboard.ca.

Yours truly,

Kirsten Walli
Board Secretary