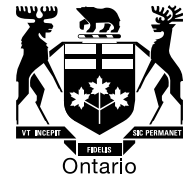


Ontario Energy Board

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BY E-MAIL

December 8, 2016

Wayne Armstrong
Welland Hydro-Electric System Corp.
950 East Main Street
P.O. Box 280
Welland, ON L3B 5P6
warmstrong@wellandhydro.com

Dear Mr. Armstrong:

**Re: Welland Hydro-Electric System Corp.
Application for Rates
OEB File Number EB-2016-0110**

A preliminary review of the application of Welland Hydro-Electric System Corp. (Welland Hydro) has identified that certain sections of the evidence supporting the application do not comply with the OEB's Filing Requirements¹ for cost of service applications and/or the associated spreadsheets, models and workforms. As a result, the OEB is unable to process your application at this time.

The missing information includes:

Chapter 2 Filing Requirement Reference - page #	Description
14 & 15	<u>Ex.1 – 2.1.7 – Performance Measurement</u> With respect to the discussion regarding a distributor's scorecard measures: - Plan(s) for continuous improvement - Identification of performance improvement targets - Discussion on how a distributor's self-assessment has informed its business plan and the application
35	<u>Ex. 4 – 2.4.3 – Program Delivery Costs With Variance Analysis</u> With respect to the OM&A programs variance analysis:

¹ Chapter 2 of the *Filing Requirements for Electricity Distribution Rate Applications – 2016 Edition for 2017 Rate Applications*, dated July 14, 2016

Chapter 2 Filing Requirement Reference - page #	Description
	<ul style="list-style-type: none"> - An explanation for each significant change whether the change was within or outside the applicant's control and an explanation of why - For each significant change within the applicant's control, a description of the business decision that was made to manage the cost increase/decrease and the alternatives
36	<u>Ex.4 – 2.4.3.1 – Workforce Planning and Employee Compensation</u> A discussion of the outcomes of previous plans and how those outcomes have impacted proposed plans. In addition, the basis for performance pay, eligible employee groups, goals, measures, and review process for pay-for-performance plans and relevant studies (e.g. compensation benchmarking)

The OEB expects that Welland Hydro will file the above listed required information as soon as possible.

If any of the information that is identified as missing is located in sections other than those identified in the Filing Requirements, or if any of the information is not applicable in your circumstances, please provide an explanation when filing the remainder of the required information.

Please direct any questions relating to this application to Georgette Vlahos, Advisor at 416-544-5169 or georgette.vlahos@ontarioenergyboard.ca.

Yours truly,

Original signed by

Kristi Sebalj
Registrar