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Ontario Energy Board
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ONTARIO ENERGY BOARD

To Whom It May Concern

The purpose of this letter is to inform the Ontario Energy Board (the "Board") as to the intentions of Dubreuil Lumber Inc. ("DLI") regarding its electricity distribution license. This letter is in compliance with section 7.2 of the Electricity Distribution Licence ED-2012-0074 issued to DLI.

Background

The electricity distribution system in the community of Dubreuilville had historically been operated by Dubreuil Forest Products Ltd. prior to its filing for bankruptcy on January 17, 2011. As of September 20, 2011, all or substantially all of the assets of Dubreuil Forest Products Ltd., including those associated with this electricity distribution system, were transferred by the trustee in bankruptcy to DLI.

By letter of February 24, 2012 from DLI to the Board, it applied for an interim electricity distribution licence. On March 5, 2012, the Board issued an interim licence. Subsequently, on July 30, 2015 an Electricity Distribution Licence ED-2012-0074 was issued to DLI, valid until July 29, 2016 (the "Licence").

By Order EB-2016-0177 dated July 28, 2016, the Licence term was extended to April 27, 2017, or until DLI filed a complete application for a distribution licence and the Board issued a final decision on that application, whichever was the earlier.

Current circumstances

The core business of Dubreuil Forest Products Ltd. , prior to its bankruptcy, was its operations as a sawmill. Due to the economic downturn affecting the forestry industry, commencing primarily in 2008, the core business deteriorated to the extent that bankruptcy was the only viable option for Dubreuil Forest Products Ltd. Upon DLI's purchase of the assets from the trustee in bankruptcy, DLI anticipated that it would be able to revive the sawmill operations, and return to sawmilling as the core business associated with those assets.

For various reasons, and despite its best efforts, DLI has not been able to revive those sawmill operations. DLI has determined that it is not in its best interest to pursue electricity distribution operations, in the absence of any reasonable hopes of revival of the sawmill operations in the near future.

Decisions

Accordingly DLI has decided to

- not proceed with any further application for a electricity distribution license
- not to apply for an extension of the existing License
- surrender the existing License upon its expiration date.

Notwithstanding the foregoing, if the Board wishes to cancel the License prior to its expiry date, pursuant to section 77 (5) of the Ontario Energy Board Act, DLI is prepared to consider making a formal request in writing for such an early cancellation.

With Regards,



Ken Buchanan
President

Cc Township of Dubreuilville