

May 8, 2017

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Walli

Re: InnPower Corporation – Amendment to EB-2016-0085

Pursuant to the OEB hosted Community Day events held in Innisfil on March 9, 2017, InnPower Corporation undertook a careful review of the feedback provided from our customers on issues applicable to the EB-2016-0085 rate application.

The review identified 4 key areas of concern,

- The cost and size of our new Administrative building at 7251 Yonge Street, Innisfil
- The requested Z Factor for the March 21, 2016 MED (Major Event Days) storm damage
- Increase of distribution rates not acceptable
- Retroactivity of rates to January 2017

InnPower Corporation has put forth amendments and clarifications to address the areas of concern raised by our customers. The amendments put forth by InnPower Corporation are as follows:

1. InnPower Corporations Administrative Building

- InnPower will adjust the Fixed Asset continuity to reflect the assets determined in the EB-2014-0086 of \$10.9 million versus submitted Fixed Asset continuity schedules of \$13.2 million for 2015, 2016 and 2017. This amendment reduces the Rate Base calculation in 2017 by \$2,000,503.
- The reduction reflects the EB-2014-0086 Decision with respect to prudence of the cost of the building minus the leasing area.
- Expense for the maintenance of the leasing area has also been removed from OM&A expense for 2015, 2016 and 2017.
- Removal of forecasted Revenue Offsets for the leasing area for 2016 and 2017.

2. Z Factor Request - Rate Rider

- InnPower Corporation has removed its request for the Z Factor Rate Rider of \$296,000. Costs associated with the 2016 storm have been recorded in the respective APH accounts.

3. LRAM Rate Rider

- InnPower Corporation has removed its request for the LRAM Rate Rider of \$26,642.

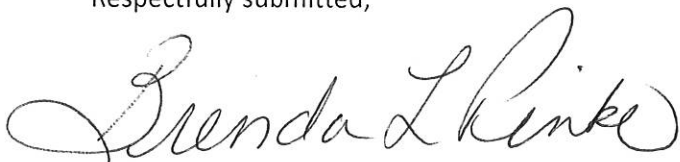
4. OM&A

- InnPower Corporation has updated the 2016 Bridge Year forecast with 2016 actuals from the Audited Financial Statements.
- 2017 OM&A Forecasts have been reduced by 3% from \$6,187,625 to \$5,990,356.

5. Effective Date of 2017 Rates

- InnPower Corporation has amended the original request date for 2017 rates from January 1, 2017 to July 1, 2017.

Respectfully submitted,



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BLP/lmc
Attach.

c: Walter J. Malcolm, President and CEO – InnPower Corporation
Jennifer Cowles, Interim CFO/Treasurer – InnPower Corporation
John A. D. Vellone - Borden, Ladner Gervais LLP
Martha McQuat, Case Advisor – Ontario Energy Board
VECC - Intervenor of EB-2016-0085
SEC – Intervenor of EB-2016-0085