



Westario Power Inc.

March 16, 2018

Dear Bill Hutton,

Thank you for your Letter of Comment submitted to the Ontario Energy Board (OEB) regarding Westario Power's 2018 Cost of Service application filing. We appreciate you taking the time to submit your comments and your interest in the process.

To address your concerns regarding on Commodity Costs; although Westario Power is responsible for issuing the entire bill to customers, Westario Power's share of the bill, which is on average 20% of the total residential bill, is not responsible for the commodity costs of generating and delivering electricity to Westario Power's distribution system. Westario Power is responsible for costs related to meter reading, billing, customer service and account maintenance, and for general utility operations. Westario Power is also responsible for the cost of building and maintaining the distribution system, including overhead and underground power lines, poles and transformer stations.

Westario Power's rate applications with the Ontario Energy Board covers the costs listed above. All other costs are prescribed by the Ontario Energy Board and are outside of the control of the utility.

I would be happy to meet with you to discuss any part of the application or go over specific questions you have relating to what distribution rates you pay to Westario Power go towards i.e. Operations, Maintenance, Administration and Capital Projects.

Sincerely,

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