



Westario Power Inc.

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Dear Steve Adams,

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 Costs; 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. It is the rates associated with being able to appropriately cover these costs that are included in its application with the Ontario Energy Board.

Westario Power's rate applications with the Ontario Energy Board covers the costs listed above. All other costs and charges 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,

Malcolm McCallum, CPA, CMA, MBA
Vice President Finance/CFO
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