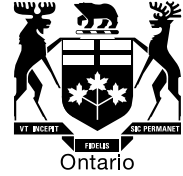


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BY E-MAIL

November 16, 2018

Ruth Tyrrell
Chief Corporate Officer
Orangeville Hydro Limited
400 C Line
Orangeville, ON L9W 3Z8

Dear Ms. Tyrrell:

Re: Application for 2019 Distribution Electricity Rates

This letter is in response to your letter expressing an interest to defer Orangeville Hydro Limited's (Orangeville Hydro) rebasing of its rates beyond the 2019 rate year.

The Ontario Energy Board (OEB) has reviewed your letter, as well as Orangeville Hydro's financial and non-financial scorecard performance from 2012 to 2017. Based on this review, the OEB has concluded that it will not require Orangeville Hydro's 2019 rates to be set on a cost of service basis. The OEB will place Orangeville Hydro on the list of distributors whose rates will be scheduled for rebasing for the 2020 rate year.

If Orangeville Hydro subsequently seeks a further deferral the OEB will consider whether the Annual Incentive Rate-setting Index method that was developed for distributors intending longer periods without rebasing should be applied. The OEB will also consider whether the filing of a distribution system plan would be required at that time.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary