



Sioux Lookout Hydro Inc.
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Sioux Lookout, ON P8T 1B3
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January 4, 2016

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

**Re: Request for Deferral of 2017 Cost of Service Distribution Rate Application
Sioux Lookout Hydro Inc., ED-2002-0514**

Dear Ms. Walli:

Sioux Lookout Hydro Inc. is on the list of distributors scheduled to file a rebasing Cost of Service application for the 2017 rate year with rates effective May 1, 2017. Sioux Lookout Hydro is requesting a deferral of this application to the 2018 rate year.

Sioux Lookout Hydro is making this request based on a couple of factors. The first is that the rate of return for 2014 was within the +/- 300 basis points of our 2013 board approved rate of return of 8.98%. Sioux Lookout Hydro anticipates that this will remain stable for the 2016 and 2017 years. Another factor influencing our request is our progress towards our Distribution System Plan. We expect to complete the plan by mid-year, which would not allow us sufficient time to prepare and submit our 2017 Cost of Service Application by August 26, 2016.

Should you have any questions or concerns, please do not hesitate to contact me at (807) 737-3800 ext 24, or via email at dkulchyski@tbaytel.net.

Sincerely,

Deanne Kulchyski, CPA, CGA, BComm(Hons)
President/CEO