



Sioux Lookout Hydro Inc.
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March 10, 2011

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

**RE: Sioux Lookout Hydro Inc.
ED-2002-0514
Request for Deferral - 2012 Cost of Service Application**

Dear Ms. Walli:

Sioux Lookout Hydro Inc. (SLHI) wishes to seek Board approval to defer its 2012 rate rebasing application for one year. The reasons for the request are listed below:

- Asset Management Plan is expected to be completed by the end of 2011
- IFRS implementation pending completion of the Asset Management Plan
- TOU implementation in June 2011
- Implementation of 2011-2014 CDM programs
- GEA Plan has to be developed
- SLHI is in a good financial position to defer

Taking into consideration the utility's customer base of approximately 2,700, and the limited resources available to complete all of the above initiatives, we feel it would be beneficial to defer SLHI's Cost of Service Application for one year. The additional year will enable SLHI to deliver a higher quality submission to the Board.

Should you require additional information or clarification, please do not hesitate to contact me. On behalf of Sioux Lookout Hydro Inc., I thank you for your consideration.

Sincerely,

Gord Maki
President/CEO

dk