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January 8, 2018

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

Dear Ms. Walli:

**Re: Sioux Lookout Hydro Inc. – 2018 Cost of Service Electricity Distribution Rate
Application EB-2017-0073
Summary of Revisions to Original Application**

Sioux Lookout Hydro Inc. (“SLHI”) respectfully submits a revised 2018 Cost of Service Electricity Distribution Rate Application as agreed upon between Board Staff and SLHI.

SLHI has summarized the revisions to the application below:

Exhibit 1

Page Number	Description
5	Updated values based on changes to the rate base, bill impacts, Cost of Power calculation and revenue requirement
12	Changed values for Street Light rate class revenue requirement as a result of updated Cost Allocation Model
13	Updated Table 1-1 values
29	Updated List of Specific Approvals requested based on revisions made
31	Updated value for service revenue requirement and revenue deficiency
32	Updated Table 1-2 values
35	Updated values and Table 1-3 and Table 1-4 for revised rate base
36	Updated explanations after change in rate base due to cost of power revision and Table 1-5 values
41	Updated Table 1-9 values
42	Updated Table 1-10 values

42	Updated values for change to Account 1575 for WACC
43	Updated Table 1-11 values
Appendix 1A	List of Specific Approvals
Appendix 1F	Summary from PEG Benchmarking

Exhibit 2

Page Number	Description
2	Updated Table 2-1 values
3	Updated Table 2-2 values and variance explanation
4	Updated Table 2-3 and Table 2-4 values
5	Updated values for revised rate base
20	Updated Table 2-21 values
21	Updated Table 2-22 for Cost of Power Calculation
22	Updated Table 2-23 for Cost of Power Calculation

Exhibit 3

Page Number	Description
2	Updated values for Service revenue requirement and Base revenue requirement and Table 3-1
29	Updated Table 3.38 for Test year revenue
31	Updated Table 3-40 for 2018 Other Revenue
34	Updated Table 3-46 for 2018 Other Revenue
Appendix 3C	Updated Chapter 2 Appendix 2-IB for error in GS > 50 kW rate Class

Exhibit 4

Page Number	Description
7	Replace Table 4-4 with correct Appendix 2-JB from Chapter 2 Appendices
20	Updated Table 4-15 and with revised Appendix 2-M for OEB on-going regulatory costs for 2018
28	Updated PILs values after removal of sentinel lights and inclusion of \$16k net loss
29	Updated Table 4-24 for revised taxable income
30	Updated Table 4-25 and 4-26
Appendix 4E	Updated PILs Workform for 2018 Filers

Exhibit 5

Page Number	Description
4	Updated Table 5-2 with most current Cost of Capital parameters
5	Updated values for rate base, cost of capital parameters and Long Term Debt to include interest rate for truck loan and updated interest rate for CIBC Loan
6	Updated Table 5-3 for 2018 debt instruments
7	Updated values for Short Term Debt and Total Cost of Capital

Exhibit 6

Page Number	Description
2	Updated values for revenue requirement and revenue deficiency and Table 6-1

4	Updated Table 6-2 with revised revenue requirement and revenue deficiency
Appendix 6A	Updated the Revenue Requirement Workform

Exhibit 7

Page Number	Description
7	Updated Table 7-6 for revised revenue requirement
8	Updated Table 7-8 for revisions to cost allocation model
9	Updated Table 7-9 for revisions to cost allocation model and for the adjustment to the GS < 50 kW rate class
Appendix 7A	Updated Cost Allocation Model Sheets 16, I8, O1 and O2

Exhibit 8

Page Number	Description
3	Updated values and Table 8-1 for revised revenue requirement
4	Updated Table 8-2 for revised base revenue requirement
6	Updated Tables 8-4 and 8-5 for revised Monthly Service Charges
7	Updated Table 8-6 for revised volumetric rates
8	Updated Table 8-8 for revised rates
9	Updated Table 8-9 with revised residential rate design from RRWF
15	Updated Table 8-16 and Table 8-17 for revised revenue requirement
Appendix 8C	Updated Proposed Tariff of Rates and Charges
Appendix 8D	Updated Bill Impacts

Exhibit 9

Page Number	Description
3	Updated Table 9-1 for Account 1575 and explanation for Account 1575 variance from Dec 31, 2016 reported
7	Updated values for Account 1575 for revised WACC
9	Updated Table 9-7 for input error and revised WACC
10	Updated Table 9-8 for revised rate riders for account 1575
11	Updated values for total disposition requested
12	Updated Table 9-10 for Account 1575
17	Updated GA Workform Analysis paragraph two
Appendix 9A	Updated 2018 DVA Continuity Schedule

The following revised Board Models and spreadsheets are also submitted in excel format:

Model/Spreadsheet	Description of Changes
2018 DVA Continuity Schedule	Change to the amount requested for disposition of Account 1575 to include the return on rate base
	Change to Sheet 7a for reconciling items
Chapter 2 Appendices	Appendix 2-A for updated revenue requirement
	Appendix 2-EA for CGAAP – MIFRS input error and updated WACC
	Appendix 2-H to reflect net \$16k loss
	Appendix 2-IB to correct errors to GS > 50 kW rate class
	Appendix 2-M to reflect proposed OEB Cost Assessments

	Appendix 2-OA for updated cost of capital parameters
	Appendix 2-OB for updated interest rates
Revenue Requirement Workform	Sheet 3: Data Inputs - revised Cost of Power Calculation, distribution revenue at proposed rates, Other income and deductions, total revenue offsets, income taxes and cost of capital
	Sheet 11: Cost Allocation – revised for updated Cost Allocation
Tariff Schedule and Bill Impact Model	Sheet 4.2 – entered revised rates and deleted the unmetered scattered load rate class
	Sheet 5.2 – Included line losses in GS > 50 KW rate class
Income Tax PILs Workform	H1 and H8 – removed sentinel light assets from CCA Calculation and net income for the historical year
	T1 – revised loss on disposal of assets to \$16K
Cost Allocation Model	I3- updated for revisions to RRWF
	I4 – corrected allocation for account 1855
	I6.2 – adjusted for GS >50 customers with transformer credit
	I8 - adjusted for GS >50 customers with transformer credit
2018 Benchmarking Spreadsheet	Updated to the 2018 model as it was not released at the time the original application was submitted
Cost of Power Calculation	Updated as per discussions with Board Staff

If you require any further information, please contact the undersigned at (807)737-3800 or via email at dkulchyski@tbaytel.net.

Sincerely,

Original Signed

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