



PETERBOROUGH DISTRIBUTION INC.

1867 Ashburnham Drive, PO Box 4125, Station Main
Peterborough ON K9J 6Z5

February 23, 2018

Delivered by Courier and RESS

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2701
Toronto, Ontario M4P 1E4

Re: Peterborough Distribution Inc. ED
2019 Cost of Service Rate Application Deferral Request

Dear Ms. Walli:

Pursuant to the Board's December 7, 2017 correspondence with respect to Applications for 2019 Electricity Distribution Rates, Peterborough Distribution Inc. (PDI) is identified by the Board as being a distributor scheduled to apply for rebasing. The Summary of Deadlines in Appendix B confirm that a distributor that wishes to submit a request to defer rebasing beyond 2019 must submit a letter by March 1, 2018.

As we are now in the final stages of negotiations with respect to the potential sale of PDI to Hydro One, and to avoid expending significant resources on preparing a cost of service rate application which may not be necessary if the sale to Hydro One is concluded, we request the consent of the Board to allow PDI to defer its rate application for 2019.

We will not be seeking an increase in rates but will file to transition our distribution charges to a fully fixed rate structure as required. We do expect to come to the Board very soon with a MAAD application for the proposed transaction to dispose of Peterborough Distribution Inc. to Hydro One Inc.

Thank for your consideration of this matter, and should you require any further information, please do not hesitate to contact the undersigned.

Regards,

A handwritten signature in black ink, appearing to read 'John Stephenson', is written over the 'Regards,' text.

John Stephenson
President and CEO
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