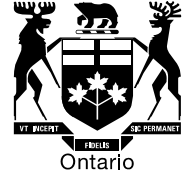


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BY E-MAIL

June 25, 2010

Ms. Indy Butany-DeSouza
Vice-President, Regulatory and Government Affairs
Horizon Utilities Corporation
55 John Street N.,
P.O. Box 2249 STN LCD
Hamilton ON L8N 3E4

Dear Ms. Butany-DeSouza:

**Re: Multi-year Electricity Distribution Rate Setting Plan
2011 Electricity Distribution Rates - EB-2010-0131**

The Board is in receipt of your letter dated May 28, 2010. In your letter, you requested confirmation that Horizon has met the Board's criteria for advancing its rebasing application to provide for 2011 rates and will not otherwise be subject to a disallowance of prudently incurred application costs.

As indicated in the Board's April 20, 2010 letter regarding early rebasers, the panel of the Board hearing the application will determine the matters outlined in your letter, including the status of the recovery of any regulatory costs that may be incurred with this application.

Yours truly,

Original Signed By

John Pickernell
Assistant Board Secretary