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February 24, 2011

Delivered by E-mail and Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

**Re: EB-2010-0131
Horizon Utilities Corporation
Application to the Ontario Energy Board for Electricity Distribution
Rates and Charges as of January 1, 2011**

We are counsel to Horizon Utilities Corporation (“Horizon Utilities”) with respect to the above-captioned matter. We are writing to you today with respect to Horizon Utilities’ responses to Technical Conference Questions in this proceeding.

Horizon Utilities has delivered responses to the Technical Conference Questions of Board Staff, CCC, Energy Probe and VECC by e-mail and through the Board’s RESS system. Horizon Utilities is delivering its responses to the Technical Conference Questions of the School Energy Coalition (“SEC”) under separate cover and in confidence.

As indicated by Mr. Shepherd, counsel to SEC, in his public cover letter to the SEC questions dated February 15, 2011 (the enclosure containing the questions themselves was delivered in confidence on the 16th), all of the SEC questions pertain to Horizon Utilities’ response to CCC Interrogatory #8. As the Board and parties are aware, Horizon Utilities has filed its response to CCC Interrogatory #8 in confidence. The reasons for Horizon Utilities’ claim of confidentiality in respect of that response and others are set out in our correspondence of January 28, 2011 and February 16, 2011, and the Board will be making a determination on the issue of confidentiality.

Horizon Utilities respectfully submits that as all of the SEC Technical Conference Questions pertain to an interrogatory response in respect of which confidentiality has been claimed, and because Horizon Utilities’ responses to the SEC Technical Conference Questions are also related to that interrogatory response, all of Horizon Utilities’ responses to the SEC Technical Conference Questions should remain in confidence. However, even if the Board were to find that Horizon Utilities’ response to CCC Interrogatory #8 is to be placed on the public record, Horizon Utilities maintains that the responses to the SEC Technical Conference Questions should be maintained in confidence.

Without limiting the generality of the foregoing, Horizon Utilities wishes to draw the Board’s attention to the responses to SEC Technical Conference Questions 5, 8 and 37. As with the response to CCC

Interrogatory #8, the responses to those SEC Technical Conference Questions contain highly sensitive commercial information related to both regulated and unregulated business activities carried on by Horizon Utilities and members of its corporate family, including activities related to Horizon Utilities' involvement in renewable generation activities through the Solar Sunbelt General Partnership.

The disclosure of this information could reasonably be expected to prejudice the economic interest of, significantly prejudice the competitive position of, cause undue financial loss to, and be injurious to the financial interest of Horizon Utilities and other members of its corporate family. It would enable Horizon Utilities' and its affiliates' competitors in competitive businesses to determine the extent of Horizon Utilities' and its affiliates' activities in those businesses. Horizon Utilities' reasons for confidentiality in respect of these responses are similar to the reasons for the confidentiality of its responses to CCC Interrogatory #8 and SEC Interrogatories #3 and #6(a), as set out in our January 28th and February 16th correspondence.

Horizon Utilities requests that the Board confirm that all of this material will remain confidential. Horizon Utilities also anticipates that it will be permitted to make further submissions on the confidentiality of these responses. At this time, we are providing copies of this material only to those individuals who have executed the Board's form of Declaration and Undertaking with respect to confidentiality and on the understanding that they will comply with the Practice Direction.

Since several interrogatory responses and all of the responses to the SEC Technical Conference Questions have been delivered in confidence, we suggest that the Technical Conference be conducted *in camera*, with a redacted version of the transcript placed on the public record at a later date.

Should you have any questions or require further information with respect to these matters, please do not hesitate to contact me.

Yours very truly,
BORDEN LADNER GERVAIS LLP

Original Signed by James C. Sidlofsky

James C. Sidlofsky
JCS/ac
Encl.

- cc. Theodore Antonopoulos, Ontario Energy Board
- Keith Ritchie, Ontario Energy Board
- John G. Basilio, Horizon Utilities Corporation
- Indy J. Butany-DeSouza, Horizon Utilities Corporation
- Intervenors of Record