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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”) in the above captioned matter. During yesterday’s session of the hearing in this proceeding, Horizon Utilities agreed to provide an updated version of its Revenue Requirement Work Form that reflects adjustments set out in Horizon Utilities’ response to Undertaking J3.3. Accompanying this letter is Horizon Utilities’ updated Revenue Requirement Work Form, in pdf format. A “live” Excel version is being sent to the Board and parties by e-mail.

Additionally, at page 41 of yesterday’s transcript, the following exchange took place:

MR. SHEPHERD: On page 2 of J3.3, you have a chart that shows how your deficiency has evolved. And you have number 8, reduced load forecast, and it says your rate base goes down.

And, I mean, I know there are some impacts on rate base of load forecasts, but I’m not sure I get how your rate base goes down by \$1 million because of a reduced load forecast. Is this because of your working capital?

MR. BROOKER: Very specifically, it’s... Very specifically, it’s because the cost of power has come down.

MR. SHEPHERD: Okay. And so we have that recalculation somewhere?

MR. BROOKER: Yes, I do. I have it internally. I can make sure that it’s available.

MR. SHEPHERD: Okay. All right....

Accompanying this message is a copy of the calculation referred to by Mr. Brooker.

Yours very truly,
BORDEN LADNER GERVAIS LLP

Original Signed by James C. Sidlofsky

James C. Sidlofsky

JCS/ac

Encl.

- cc. Keith Ritchie, Ontario Energy Board (electronic version only)
- John G. Basilio, Horizon Utilities Corporation (electronic version only)
- Indy J. Butany-DeSouza, Horizon Utilities Corporation (electronic version only)
- Intervenors of Record (electronic version only)

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