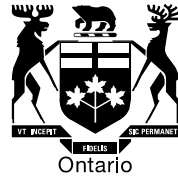


**Ontario Energy Board**  
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**BY E-MAIL ONLY**

January 13, 2012

Mr. Michael Buonaguro  
Counsel  
c/o Public Interest Advocacy Centre  
34 King Street East, Suite 1102  
Toronto ON M5C 2X8

Dear Mr. Buonaguro:

**Re: Thunder Bay Hydro Electricity Distribution Inc. ("Thunder Bay")  
2012 Incentive Regulation Mechanism Rate Application  
Board File Number EB-2011-0197  
Notice of Intervention of the Vulnerable Energy Consumers Coalition  
("VECC")**

The Board confirms VECC as an intervenor in the above noted proceeding, subject to Thunder Bay's right of reply to your request within 14 calendar days from the filing of your notice of intervention.

The Board has determined that VECC is eligible to apply for an award of costs under its *Practice Direction on Cost Awards* (the "Practice Direction") in relation to Thunder Bay's proposal for lost revenue adjustment mechanism ("LRAM") and/or shared savings mechanism ("SSM") recovery and revenue-to-cost ratio adjustments. The Board expects that cost claims in relation to revenue-to-cost ratio adjustments will be made only for matters that go beyond the implementation of previous Board Decisions.

With respect to the disposition of account 1562, the Board will not consider cost awards at this time as the application as filed appears to have no material inconsistencies with the various decisions made in the course of the Combined PILS proceeding (EB-2008-0381) including the use of the updated models containing the Excel worksheet 'TAXREC 3' as used by Halton Hills Hydro Inc.

The Practice Direction and related forms are available on the Board's website at [www.ontarioenergyboard.ca](http://www.ontarioenergyboard.ca).

Yours truly,

*Original signed by*

Kirsten Walli  
Board Secretary

cc: Cindy Speziale,  
Vice President, Finance  
Thunder Bay Hydro Electricity Distribution Inc.