



December 13, 2012

By RESS and Courier

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

Dear Ms. Walli;

**Re: Horizon Utilities Corporation ED-2006-0031
3rd Generation Incentive Regulation Mechanism
Electricity Distribution Rate Application (EB-2012-0132)**

On August 3, 2012, Horizon Utilities Corporation ("Horizon Utilities") filed an Application with the Ontario Energy Board (the "OEB" or the "Board") for a 3rd Generation Incentive Regulation Mechanism ("IRM") Electricity Distribution Rate ("EDR") Application (the "Application"), in accordance with *Chapter 3 of the OEB's Filing Requirements for Transmission and Distribution Applications*, for rates effective January 1, 2013.

On December 6, 2012, the Board issued its Decision and Order in the above-captioned proceeding. As required in paragraph 2 of the Board's Order, Horizon Utilities has reviewed the draft Tariff of Rates and Charges provided at Appendix A to the Order and notes the following inaccuracies:

- The Rate Riders for the Recovery of Green Energy Act related costs were omitted;
- The Rate Riders for Tax Change were omitted;
- The Retail Transmission Rate – Network Service Rates were quantified incorrectly;
- The Retail Transmission Rate – Line and Transformation Connection Service Rates were quantified incorrectly;
- For consistency purposes rate riders with an end date of January 1, 2014 have been changed to December 31, 2013;
- The Regulatory Component rates have been removed from the Standby Power Service Classification;
- The Standby Power charge has not been multiplied by the IRM factor of 1.08 therefore this rate has been revised appropriately; and

- The Transformer Allowance for Ownership rate on the microFIT Service Classification has been changed from a kWh rate to a kW rate.

Please find accompanying this letter Horizon Utilities' draft Tariff of Rates and Charges reflecting the Board's findings in the Decision and corrections for the above listed items.

Two hard copies will be delivered to the Board and are being filed using the Board's RESS system; live Excel files supporting the corrections to the draft Tariff of Rates and Charges are also being filed on the Board's RESS system.

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

Yours truly,

Original signed by Indy J. Butany-DeSouza

Indy J. Butany-DeSouza, MBA
Vice-President, Regulatory Affairs
Horizon Utilities Corporation

Encl.

cc. J. Wasylyk, Ontario Energy Board