

**Hydro One Networks Inc.**

8<sup>th</sup> Floor, South Tower  
483 Bay Street  
Toronto, Ontario M5G 2P5  
www.HydroOne.com

Tel: (416) 345-5700  
Fax: (416) 345-5870  
Cell: (416) 258-9383  
Susan.E.Frank@HydroOne.com



**Susan Frank**

Vice President and Chief Regulatory Officer  
Regulatory Affairs

BY COURIER

April 20, 2009

Ms. Kirsten Walli  
Secretary  
Ontario Energy Board  
Suite 2700, 2300 Yonge Street  
P.O. Box 2319  
Toronto, ON.  
M4P 1E4

Dear Ms. Walli:

**EB-2009-0095 – OEB DSC Amendment re LTLTs – Hydro One Networks' Comments**

This is in response to the Ontario Energy Board's ("the Board") proposal to amend Sections 6.5.3, 6.5.4, and 6.5.4.1, and add a new section, 6.5.4.2 to the Distribution System Code ("DSC").

The Board's main proposal is that Local Distribution Companies ("LDC's") would now have until June 30, 2014, from the current January 31, 2009, to eliminate their long term load transfers ("LTLT's").

In a previous submission and correspondence Hydro One supported the option of grandfathering existing LTLTs. The existing LTLT arrangements have proven effective in the past, have resulted in few customer complaints, and the required settlement processes are in place.

Recent applications have highlighted a serious problem with eliminating LTLTs. We currently have two applications that have generated customer and government concerns. No resolution that is satisfactory to these customers has been determined. Some customers will be subject to large bill impacts

However, as the Board maintains that LTLT's will be eliminated Hydro One will continue with its plans but would note that the additional 5 years to complete this task does not resolve the fundamental bill impact problem. The additional time only delays the inevitable. Until this issue of large bill impacts can be resolved Hydro One cannot file any new applications to eliminate LTLTs. Furthermore, subject to agreement with our joint applicants, we will withdraw the

applications currently before the Board. Once the amendment is approved, Hydro One will withdraw its application seeking an exemption from Section 6.5.4 DSC that continues to be outstanding.

Once the customer impact issue has been resolved, Hydro One will proceed to eliminate the remaining LTLTs.

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank