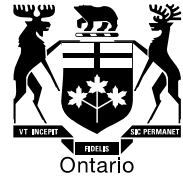


**Ontario Energy
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BY E-MAIL

January 22, 2009

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4

Dear Ms. Walli:

**Re: Festival Hydro Inc.
2009 Incentive Regulation Mechanism (2009 IRM) Rate Application
Board File Number EB-2008-0175**

Board staff have reviewed Festival Hydro's 2009 IRM application and will not be making a submission. Please forward this letter to Festival Hydro Inc. and all other parties in this proceeding.

Yours truly,

Original signed by

Lawrie Gluck
Analyst