

**Ontario Energy
Board**
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**Commission de l'énergie
de l'Ontario**
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2300, rue Yonge
Toronto ON M4P 1E4
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BY E-MAIL

February 19, 2009

Ms. Anne Rampado
Burlington Hydro Inc.
1340 Brant Street,
Burlington ON L7R 3Z7

Mr. Kevin Kilfoil
Milton Hydro Distribution Inc.
55 Thompson Rd. S.
P.O. Box 189
Milton ON L9T 6P7

LETTER OF DIRECTION

Dear Applicants:

**Re: Application for Licence Amendment and Sale of Distribution Assets to
eliminate Long Term Load Transfer (LTLT) arrangements
Board File No. EB-2008-0398**

The Ontario Energy Board has now issued its Notice of Application with respect to the above application and a copy is enclosed. Please note that you must serve the Notice within fourteen days of the date of this letter. If service is impossible within fourteen days, you must inform the Board Secretary immediately.

You are directed:

1. To immediately have the Notice posted on your websites.

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2. To immediately serve a copy of the Notice and a suitable cover letter, in person, by courier or by registered mail, upon the customers that are the subject of the above referenced application. You must:
 - (a) include the information in the sample letter attached as appendix A to this letter of direction in your cover letter to the 28 LTLT customers proposed to be transferred to Milton Hydro and whose distribution rates will be lower than Burlington Hydro's rates;
 - (b) include the information in the sample letter attached as appendix B to this letter of direction in your cover letter to the 12 LTLT customers proposed to be transferred to Milton Hydro and whose distribution rates will be higher than Burlington Hydro's rates;
 - (c) include the information in the sample letter attached as appendix C to this letter of direction in your cover letter to the 2 LTLT customers proposed to be transferred to Burlington Hydro whose distribution rates will be lower than Milton Hydro's rates; and
 - (d) include the information in the sample letter attached as appendix D to this letter of direction in your cover letter to the 1 LTLT customer proposed to be transferred to Burlington Hydro and whose distribution rates will be higher than Milton Hydro's rates.
3. To file with the Board affidavit evidence proving the above service immediately upon completion, with original post office registration receipts (where applicable), or courier confirmation lists attached as appendices.
4. To immediately have copies of the application made available for public review at the applicants' head offices.
5. To immediately provide a copy of the application to any person upon request.

You are further directed not to include any document(s) or material(s) when serving the Notice other than document(s) or material(s) expressly required by this Letter of Direction to be served.

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Yours truly,

Original Signed By

Kirsten Walli
Board Secretary

Encl.

Appendix A

Sample Letter to the 28 LTLT Customers Proposed to be Transferred to Milton Hydro

YOUR ELECTRICITY DISTRIBUTOR MAY BE CHANGING

Dear customer:

Your electricity distributor, Burlington Hydro Inc. (“Burlington”) and Milton Hydro Distribution Inc. (“Milton”) filed a joint application with the Ontario Energy Board requesting changes to their electricity distribution service areas. If the application is approved, you will become a customer of Milton. You are not required to take any action in response to this letter but you may wish to let the Ontario Energy Board know of any concerns you may have about the application.

As you know, you are currently a customer of Burlington and charged Burlington’s rates for electricity distribution services. However, you may not know that your electricity is physically supplied by Milton. You are within Burlington’s service area but are actually served electricity by Milton. This arrangement is known as a long term load transfer.

The Ontario Energy Board requires geographic electricity distributors (in your case, Burlington) to eliminate long term load transfer arrangements before January 31, 2009. One option available to distributors to meet this requirement is to permanently transfer the load transfer customers to the electricity distributor that physically supplies them (in your case, Milton).

To eliminate the load transfer arrangements between Burlington and Milton, both distributors filed a joint application with the Ontario Energy Board for an order approving changes to their distribution service areas in order to transfer you and similar load transfer customers to Milton’s service area. If the Board approves the application, you will become a customer of Milton; you will be supplied and served by Milton and will be charged Milton’s distribution rates which in your circumstances are lower than Burlington’s distribution rates.

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An official Notice of Application was issued by the Board, a copy of which is attached to this letter. The Notice contains information about how to participate in the proceeding associated with the application.

If you have any questions about this letter, please call (name of person) at Burlington at (phone number).

Appendix B

Sample Letter to the 12 LTLT Customers Proposed to be Transferred to Milton Hydro

YOUR ELECTRICITY DISTRIBUTOR MAY BE CHANGING

Dear customer:

Your electricity distributor, Burlington Hydro Inc. (“Burlington”) and Milton Hydro Distribution Inc. (“Milton”) filed a joint application with the Ontario Energy Board requesting changes to their electricity distribution service areas. If the application is approved, you will become a customer of Milton. You are not required to take any action in response to this letter but you may wish to let the Ontario Energy Board know of any concerns you may have about the application.

As you know, you are currently a customer of Burlington and charged Burlington’s rates for electricity distribution services. However, you may not know that your electricity is physically supplied by Milton. You are within Burlington’s service area but are actually served electricity by Milton. This arrangement is known as a long term load transfer.

The Ontario Energy Board requires geographic electricity distributors (in your case, Burlington) to eliminate long term load transfer arrangements before January 31, 2009. One option available to distributors to meet this requirement is to permanently transfer the load transfer customers to the electricity distributor that physically supplies them (in your case, Milton).

To eliminate the load transfer arrangements between Burlington and Milton, both distributors filed a joint application with the Ontario Energy Board for an order approving changes to their distribution service areas in order to transfer you and similar load transfer customers to Milton’s service area. If the Board approves the application, you will become a customer of Milton; you will be supplied and served by Milton and will be charged Milton’s distribution rates which in your circumstances are higher than Burlington’s distribution rates.

Based on your prior year’s consumption, the proposed transfer will result in an estimated increase of (\$) on the delivery portion of your monthly electricity bill. This represents an impact of approximately (%) on the delivery portion of the bill and approximately (%) on the total bill.

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An official Notice of Application was issued by the Board, a copy of which is attached to this letter. The Notice contains information about how to participate in the proceeding associated with the application.

If you have any questions about this letter, please call (name of person) at Burlington at (phone number).

Appendix C

Sample Letter to the 2 LTLT Customers Proposed to be Transferred to Burlington

YOUR ELECTRICITY DISTRIBUTOR MAY BE CHANGING

Dear customer:

Your electricity distributor, Milton Hydro Distribution Inc. (“Milton”) and Burlington Hydro Inc. (“Burlington”) filed a joint application with the Ontario Energy Board requesting changes to their electricity distribution service areas. If the application is approved, you will become a customer of Burlington. You are not required to take any action in response to this letter but you may wish to let the Ontario Energy Board know of any concerns you may have about the application.

As you know, you are currently a customer of Milton and charged Milton’s rates for electricity distribution services. However, you may not know that your electricity is physically supplied by Burlington. You are within Milton’s service area but are actually served electricity by Burlington. This arrangement is known as a long term load transfer.

The Ontario Energy Board requires geographic electricity distributors (in your case, Milton) to eliminate long term load transfer arrangements before January 31, 2009. One option available to distributors to meet this requirement is to permanently transfer the load transfer customers to the electricity distributor that physically supplies them (in your case, Burlington).

To eliminate the load transfer arrangements between Milton and Burlington, both distributors filed a joint application with the Ontario Energy Board for an order approving changes to their distribution service areas in order to transfer you and similar load transfer customers to Burlington’s service area. If the Board approves the application, you will become a customer of Burlington; you will be supplied and served by Burlington and will be charged Burlington’s distribution rates which in your circumstances are lower than Milton’s distribution rates.

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An official Notice of Application was issued by the Board, a copy of which is attached to this letter. The Notice contains information about how to participate in the proceeding associated with the application.

If you have any questions about this letter, please call (name of person) at Milton at (phone number).

Appendix D

Sample Letter to the 1 LTLT Customer Proposed to be Transferred to Burlington

YOUR ELECTRICITY DISTRIBUTOR MAY BE CHANGING

Dear customer:

Your electricity distributor, Milton Hydro Distribution Inc. ("Milton") and Burlington Hydro Inc. ("Burlington") filed a joint application with the Ontario Energy Board requesting changes to their electricity distribution service areas. If the application is approved, you will become a customer of Burlington. You are not required to take any action in response to this letter but you may wish to let the Ontario Energy Board know of any concerns you may have about the application.

As you know, you are currently a customer of Milton and charged Milton's rates for electricity distribution services. However, you may not know that your electricity is physically supplied by Burlington. You are within Milton's service area but are actually served electricity by Burlington. This arrangement is known as a long term load transfer.

The Ontario Energy Board requires geographic electricity distributors (in your case, Milton) to eliminate long term load transfer arrangements before January 31, 2009. One option available to distributors to meet this requirement is to permanently transfer the load transfer customers to the electricity distributor that physically supplies them (in your case, Burlington).

To eliminate the load transfer arrangements between Milton and Burlington, both distributors filed a joint application with the Ontario Energy Board for an order approving changes to their distribution service areas in order to transfer you and similar load transfer customers to Burlington's service area. If the Board approves the application, you will become a customer of Burlington; you will be supplied and served by Burlington and will be charged Burlington's distribution rates which in your circumstances are higher than Milton's distribution rates.

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Based on your prior year's consumption, the proposed transfer will result in an estimated increase of (\$) on the delivery portion of your monthly electricity bill. This represents an impact of approximately (%) on the delivery portion of the bill and approximately (%) on the total bill.

An official Notice of Application was issued by the Board, a copy of which is attached to this letter. The Notice contains information about how to participate in the proceeding associated with the application.

If you have any questions about this letter, please call (name of person) at Milton at (phone number).