

**Ontario Energy
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**Commission de l'énergie
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BY E-MAIL

June 15, 2009

Mr. Dan Sebert
V.P. Operations
Niagara Peninsula Energy Inc.
447 Pin Oak Drive
P.O. Box 120
Niagara Falls ON L2E 6S9

Mr. David Steinschifter
Operations Manager
Niagara-on-the-Lake Hydro Inc.
8 Henegan Road
P.O. Box 460
Virgil ON L0S 1T0

Dear Applicants:

Re: Application Respecting the Elimination of Long Term Load Transfer Arrangements between Niagara Peninsula Energy Inc. and Niagara-on-the-Lake Hydro Inc. Board File Number EB-2008-0388

This letter relates to recent amendments made to the Distribution System Code (the "DSC") respecting the timing for the elimination of long term load transfer ("LTLT") arrangements and the impact that those amendments may have on your above referenced application.

Your application addresses the LTLT arrangements between Niagara Peninsula Energy Inc. and Niagara-on-the-Lake Hydro Inc. and was prompted by the Board's policy of eliminating LTLT arrangements by January 31, 2009.

On June 10, 2009, the Board issued a Notice of Amendments to the DSC. Among other things, the Board extended the deadline by which geographic distributors must eliminate

load transfer arrangements to June 30, 2014. In the Notice, the Board confirmed that "distributors that currently have applications before the Board to eliminate load transfer arrangements may withdraw, or request to withdraw, their applications in accordance with the Board's Rules of Practice and Procedure."

In light of the recent amendments to the DSC, some distributors may wish to reconsider their LTLT elimination plans at this time. Therefore, please advise the Board by June 29, 2009, if you:

- (a) wish to request the Board's approval to withdraw your application at this time; or
- (b) wish to continue with your current application.

Please direct any questions relating to this matter to Julie Doherty, Advisor, Licence Applications at 416-440-8133 or e-mail, Julie.Doherty@oeb.gov.on.ca.

Yours truly,

Original signed by

John Pickernell
Assistant Board Secretary