Westario Power Inc.
24 East Ridge Road
R.R. #2
Walkerton, ON
N0G 2V0
Tel: (519) 507-6937
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September 9, 2009

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Attention: **Ms. Kirsten Walli**
Board Secretary

Dear Ms. Walli,

Re: Report on Notification re: Eligibility for Regulated Price Plan
Board File No. EB-2009-0317

With reference to the Board's request dated August 13, 2009, please find attached Westario Power Inc.'s report confirming that all of its customers affected by the upcoming change in eligibility for the Regulated Price Plan (RPP) have been duly notified.

If you require additional information and or further clarification, please do not hesitate to contact Mrs. Lisa Milne, C.G.A., President & CEO at (519) 507-6666 ext. 216 or myself at (519) 507-6666 ext. 211.

Thank you.

Sincerely,

David J. Smelsky, CMA
Chief Financial Officer

Westario Power Inc.
24 Eastridge Road, R.R. #2
Walkerton, Ontario
N0G 2V0

License Number: ED-2002-0515

Board File No. EB-2009-0317

Report on Notification Re: Eligibility for the Regulated Price Plan (RPP)

September 9, 2009

1. Introduction:

As of November 1, 2009 the consumers eligible for the RPP will change as per Ontario Regulation 95/05 – Classes of Consumers and Determination of Rates. Over the past year, significant efforts co-ordinated by the Independent Electricity System Operator (IESO), Electrical Distributors Association (EDA), and the Ontario Energy Board (OEB) were taken to prepare institutional customers for the changes in RPP eligibility and purchasing options. However, not all of the smaller institutions were made aware of, or prepared for, the transition date. Westario Power Inc. confirms that the all of its customers affected by the upcoming change in eligibility for the Regulated Price Plan (RPP) have been duly notified.

2. Notification Steps:

In meeting with the expectation of the Ontario Energy Board, Westario Power Inc. implemented the following steps to notify and educate its institutional customers of the change in regulation:

(a) Complete data base review of "designated consumer" class including the MUSH sector, to identify the customer accounts no longer eligible for the RPP.

(b) A total of 17 accounts will be affected as of November 1, 2009.

(c) In March 2009, a letter was sent to each affected customer to advise of the new regulation effective May 1, 2009. Specifically, the institutional accounts were advised of purchasing options and alternatives on exiting RPP. The new regulation would allow the institutional customer, with or without an interval meter, to voluntarily exit the RPP and purchase electricity on the spot market. Institutional customers without an interval meter would pay a weighted average hourly spot market price. In addition, these customers have an option of entering into a retail contract. Please refer to **Appendix 'A'**.

(e) In April 2009, a second letter was sent to each affected customer to advise that the proposed changes would be delayed by six months until November 1, 2009. Please refer to **Appendix 'B'**.

(f) Westario Power Staff met one-on-one with five affected customers.

(g) Six additional affected customers have confirmed the signing of contracts with retailers.

(h) Two presentations (March 30, 2009 and June 9, 2009) were made to the Board of Directors of Westario Power Inc. Please refer to **Appendix 'C'**

Appendix 'A'

SAMPLE LETTER:

27 March 2009

MUSH CUSTOMER
123 address
Westario Power, Ontario
N0G 2V0

Dear Sir or Madam:

Ontario's public sector, including municipalities, universities, schools, hospitals and other designated customers will move from paying the Regulated Price Plan (RPP) to a market-based, or hourly, price for electricity on May 1, 2009.

This change applies to all accounts with consumption greater than 250,000 kWh per year and demand greater than 50 kW.

On May 1, 2009, these customers will pay Ontario's market price for the energy portion of their bill – that is, the hourly electricity price or a weighted average electricity price.

Hourly Electricity Price
Facilities with an interval meter will pay the hourly price for electricity. That means paying for electricity when it is used.

Weighted Average Electricity Price
Without an interval meter, customers will pay a weighted average of the hourly price based on the consumption patterns of consumers in the area.

With the elimination of the MUSH Sector effective April 30, 2009, the following accounts consume greater than 250,000 kWh annually and a demand average greater than 50 kW:

Account #1234567	**-**	**Location service address**
Account #1234567-001	**-**	**Location service address**

Should you have any questions to the aforementioned, please do not hesitate to contact me directly at 519.507.6666 Ext. 215.

Yours truly,

Janice Hallahan, A.M.C.T.
Manager of Customer Service

/jh

Appendix 'B'

SAMPLE LETTER:

24 April 2009

MUSH CUSTOMER
123 address
Westario Power, Ontario
N0G 2V0

Dear Sir or Madam:

On March 27, 2009, I forwarded you a letter concerning Ontario's public sector, including municipalities, universities, schools, hospitals and other designated customers moving from paying the Regulated Price Plan (RPP) to a market-based, or hourly, price for electricity on May 1, 2009.

However, on April 1, 2009, the Ontario Energy Board extended eligibility for the RPP for all low volume and designated consumers until November 1, 2009; and to enable those consumers that will cease to be eligible for the RPP on November 1, 2009 to opt out of the RPP in the interim period regardless of whether or not they have an interval meter. Therefore, Account #1234567 has been changed back to its original rate category.

Prior to the November 1, 2009 deadline, I urge you to refer to the Independent Electricity System Operator (IESO) website – www.ieso.ca to refer to the Monthly Average Weighted Hourly Price since the market opened in May 2002, to make an informed decision surrounding conventional to interval metering (see attachment entitled Interval Meter Checklist that is hosted on the IESO website).

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

Yours truly,

Janice Hallahan, A.M.C.T.
Manager of Customer Service

/jh
Encl.

Appendix ‘C’

(A) March 30, 2009 - Informational extract from Board of Directors meeting:

Elimination of MUSH sector – May 1, 2009

Regulated Price Plan (RPP) eligibility for the MUSH (Municipality, University, School and Hospital) sector will be eliminated May 1, 2009.

For those MUSH sector contract account holders who have not signed contracts with retailers and do not use more 250,000 kWh annually, will continue to receive the regulated price plan – currently 5.6 cents for the first 1,000 kWh and the balance at 6.5 cents. For any of those account holders using more than 250,000 kWh annually (arenas, homes for the aged, pump stations, hospitals) will be charged the Hourly Spot Market Price.

(B) June 9, 2009 - Informational extract from Board of Directors meeting:

Elimination of MUSH sector – Now November 1, 2009

Regulated Price Plan (RPP) eligibility for the MUSH (Municipality, University, School and Hospital) sector will now be eliminated November 1, 2009, as opposed to the previously targeted May 1, 2009 date previously reported.

This change applies to all accounts with consumption greater than 250,000 kilowatt hours (kWh) per year and demand greater than 50 kilowatts.

On November 1, 2009, these customers will pay Ontario’s market price for the energy portion of their bill – that is, the hourly electricity price or a weighted average electricity price.

Hourly electricity price: Facilities with an interval meter will pay the hourly price for electricity. That means paying for electricity when it is used.

Weighted average electricity price: Without an interval meter, customers will pay a weighted average of the hourly price based on the consumption patterns of consumers in the area.

Retail contracts: Contracts are another way to purchase the electricity commodity but they do not cover other charges such as delivery and the Provincial Benefit.* Contracts can add an element of certainty as they allow you to lock in your electricity costs for a term. Before the MUSH customer signs a contract with a retailer, they should ensure they understand **all the terms and conditions**.

Some customers aggregate their energy use with other facilities in their community or sector to increase their buying power.

***NOTE:** There is an adjustment to the market price called the Provincial Benefit that applies to all electricity consumers. This charge or credit is included in the RPP rate but will be itemized separately on their bill once they leave the RPP.