MIDLAND POWER UTILITY CORPORATION
16984 Highway#12 P.O. Box 820
Midland Ontario L4R 4P4

September 8, 2009

Kirsten Walli, Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
PO Box 2319
Toronto, Ontario
M4P 1E4

Midland Power Utility Corporation – License #ED-2002-0541

Report on Notification re: Eligibility for the Regulated Price Plan

OEB File No.: EB-2009-0317

Midland Power Utility Corporation (MPUC) confirms all remaining customers affected by the upcoming changes in eligibility for the Regulated Price Plan (RPP) have been notified in writing regarding the changes effective November 1, 2009.

In March 2009, MPUC mailed all affected customers a copy of the IESO published brochure for Public Sector Customers moving off the RPP effective May 1, 2009.

MPUC has worked with customers in assessing the best alternatives for affected accounts during the transition period. MPUC has 3 designated and MUSH customers remaining on the RPP plan. Letters were mailed to the remaining customers on September 3rd with the revised IESO published brochure for Public Sector Customers moving off the RPP effective November 1, 2009. A copy of the IESO brochure and letter sent to customers is attached to this Report.

MPUC customers have been provided with pricing options based on different metering configurations, the ability to have an interval meter installed, retailer contract options and information on the one-time Final Variance Settlement credit or charge.

Follow up calls will be made should customers fail to contact MPUC by September 15, 2009 regarding the transition. Customers requesting account specific billing comparisons will be provided, in addition to metering options available.

Should you have any further information, please do not hesitate to contact the undersigned.

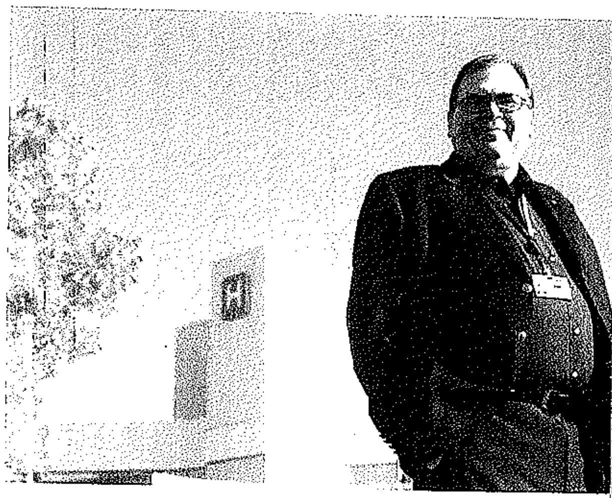
Yours very truly,

Phil Marley, CMA
President & CEO
MIDLAND POWER UTILITY CORPORATION
Tel: (705) 526-9362 ext 204
Fax: (705) 526-7890
E-mail: pmarley@midlandpuc.on.ca

Moving to Hourly Prices

On May 1, 2009, 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.

Many public sector customers have already moved to market prices to save money.



Timmins and District Hospital made the switch to hourly pricing and saved money on its electricity bill

Timmins and District Hospital was paying for all of its consumption at the higher-tiered RPP rate. In April 2006, it moved off the RPP and since that time has saved over $230,000 on its bill.

Visit www.ieso.ca/publicsector for more information.

Front cover image: To find out how the York Catholic District School Board saved money and energy, visit **www.ieso.ca/publicsector**

For more information about the change in electricity pricing for the public sector visit:

IESO Website:
www.ieso.ca/publicsector

Electricity Pricing Information:
www.ieso.ca/electricitypricing

Retail Electricity Contracts:
www.ieso.ca/retailers

Business and Institutional Profiles and Publications:
www.ieso.ca/businessprofiles

Your local distribution company:
www.ieso.ca/findutility

Or contact IESO Customer Relations:

Tel: 905-403-6900
Toll-Free: 1-888-448-7777
Fax: 905-403-6921
E-mail: customer.relations@ieso.ca

The Independent Electricity System Operator (IESO) is a not-for-profit entity that manages the province's power system so that Ontarians receive power when and where they need it. Ontario's IESO balances demand for electricity against available supply through the wholesale market and directs the flow of electricity across the transmission system.

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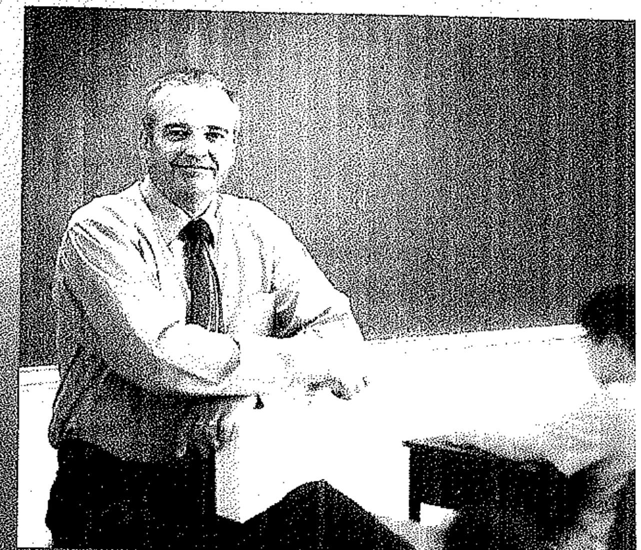


WHAT YOU NEED TO KNOW ABOUT CHANGES TO ELECTRICITY PRICES

A Guide for Ontario's Public Sector

Market Price Options

Changes to Electricity Commodity Prices coming May 1, 2009

Most municipalities, universities, schools and hospitals and other designated customers who are still on the Regulated Price Plan (RPP) will no longer be billed the RPP rate starting May 1, 2009.

This change applies to all accounts with consumption greater than 250,000 kilowatt hours (kWh) per year and demand greater than 50 kilowatts (which is equivalent to an electricity bill of approximately $2,000 per month).

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.

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 price for a term. Before you sign, ensure you 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. Contact IESO Customer Relations (see reverse) for more information.

***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 your bill once you leave the RPP.

REGULATED PRICE PLAN (RPP)

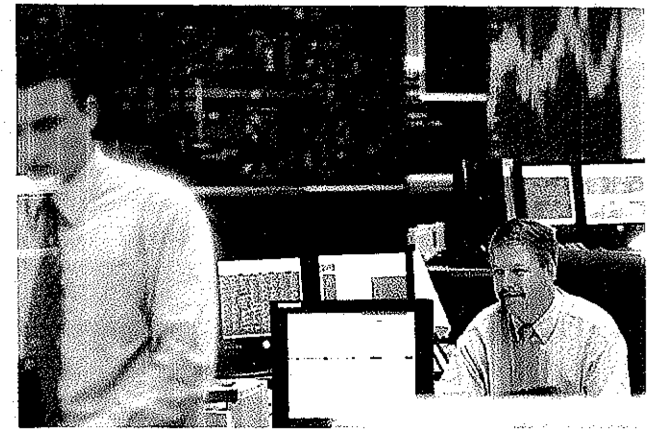
Public sector consumers still paying the fixed RPP rate (adjusted semi-annually) are charged based on a consumption threshold.

From November 1, 2008 to April 30, 2009:
- 5.6 cents per kilowatt hour (kWh) up to 750 kWh per month
- 6.5 cents per kWh over 750 kWh per month

It is likely that most of your consumption is charged at the higher rate of 6.5 cents per kWh.

Public sector consumers who have already moved off the RPP pay market prices or the price in their retail contract or a combination of the two. The average market price with adjustments for 2008 was 5.6 cents per kWh.

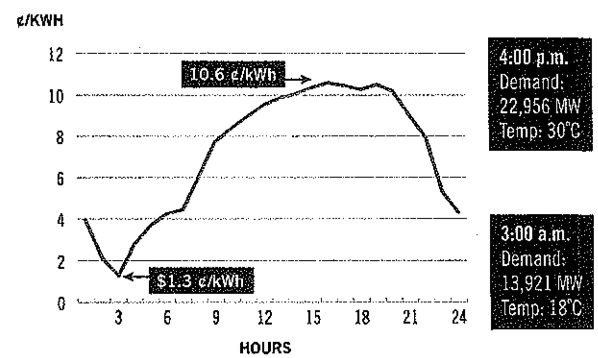
Ontario's Electricity Market



In Ontario's wholesale electricity market, the Independent Electricity System Operator (IESO) calculates price by balancing the supply of electricity with demand. As demand increases, more expensive forms of generation can raise the price.

Factors such as weather, consumer behaviour and available generation cause the price to fluctuate over the course of the day. Many customers are able to respond to changes in the hourly price by shifting some of their demand to off-peak periods.

A sample day of hourly electricity pricing:



On average daytime prices are 35 per cent higher than at night and on weekends.

MIDLAND POWER UTILITY CORPORATION
16984 Highway#12 P.O. Box 820
Midland Ontario L4R 4P4

September 3, 2009

Name
Address
City
Postal Code

Attention:

Re: Account #999999-00: Service Address, Midland, Ontario

Changes to Electricity Commodity Prices effective November 1, 2009

Dear ,

Effective November 1, 2009 most municipalities, universities, schools, hospitals and other designated customers who have remained on the Regulated Price Plan (RPP) will no longer be billed on the RPP.

Midland Power has undertaken a review of customer accounts and according to our records, the above-noted account will be affected by this change to the electricity commodity prices effective November 1, 2009. There are several options available for this account and in addition, you are also eligible to voluntarily leave the RPP before November 1, 2009.

You can choose not to make any changes to your meter and be billed on the Weighted Average Price for your electricity, or you can choose to have an interval meter installed which would facilitate billing on the hourly price for electricity, based on your usage. Upon leaving the RPP you will also receive a one-time RPP Settlement Variance credit or charge.

Enclosed is a brochure explaining the options available including interval metering and purchasing your electricity through a retailer contract. You may recall a similar brochure was sent in April 2009 to advise of these upcoming changes.

Please feel free to contact me at your convenience to review the various metering and pricing options available. Midland Power would be pleased to provide some comparative figures for the various pricing options upon your request, including an estimate of the RPP Settlement Variance credit or charge.

I look forward to hearing from you.

Yours very truly,

Christine Bell, B.Com
CFO
MIDLAND POWER UTILITY CORPORATION
Tel: (705)526-9362 ext 207
Fax: (705) 526-7890
E-mail: chuma@midlandpuc.on.ca

Moving to Hourly Prices

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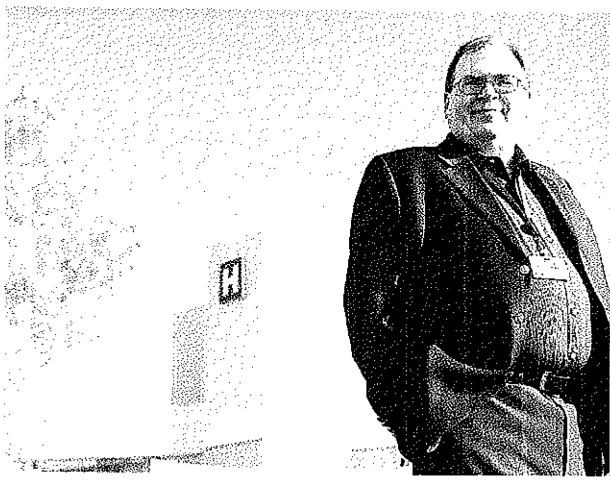
Many public sector customers have already moved to market prices to save money.

* Extended from May 1, 2009



Timmins and District Hospital made the switch to hourly pricing and saved money on its electricity bill

Timmins and District Hospital was paying for virtually all of its consumption at the higher-tiered RPP rate. In April 2006, it moved off the RPP and since that time has saved over $230,000 on its bill.

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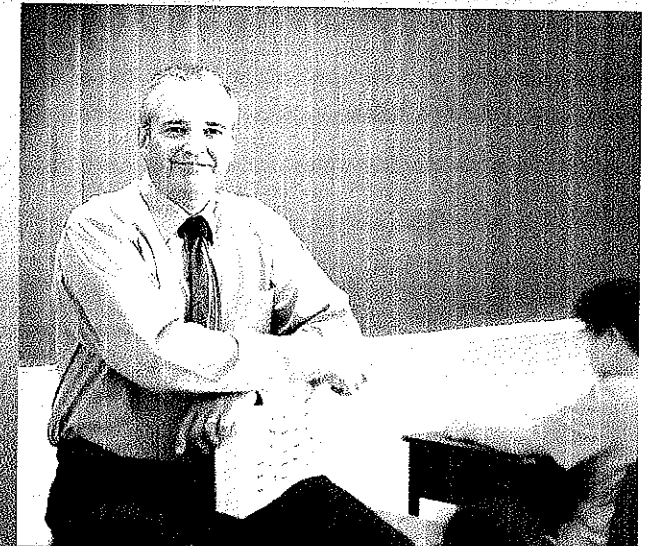

WHAT YOU NEED TO KNOW ABOUT CHANGES TO ELECTRICITY PRICES COMING NOVEMBER 1, 2009

A Guide for Ontario's Public Sector

Changes to Electricity Commodity Prices coming November 1, 2009*

Most municipalities, universities, schools and hospitals and other designated customers who are still on the Regulated Price Plan (RPP) will no longer be billed the RPP rate starting November 1, 2009.

This change applies to all accounts with consumption greater than 250,000 kilowatt hours (kWh) per year and demand greater than 50 kilowatts (which is equivalent to an electricity bill of approximately $2,000 per month). Customers with or without an interval meter can now voluntarily come off the RPP before November 1, 2009. Contact your local distribution company for more information.

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.

* Extended from May 1, 2009

HOW WILL YOUR ELECTRICITY BILL CHANGE?

The electricity charge on your bill appears as a single line when you're on the RPP. It includes both the commodity charge and the Provincial Benefit[1]. When you leave the RPP, the electricity charge and Provincial Benefit[1] will appear as two separate line items.

You will also receive an RPP Settlement Variance which is a one-time credit or charge. A consumer leaving the RPP in May that consumed 250,000 kWh per year would have received a credit of almost $500. The value of the variance changes every month depending on the difference between the actual price paid to generators and the forecast price paid under the RPP.

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.[1] Contracts can add an element of certainty as they allow you to lock in your electricity price for a term. Before you sign, ensure you understand all the terms and conditions.

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[1] **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 your bill once you leave the RPP.

Regulated Price Plan (RPP)

Public sector consumers still paying the fixed RPP rate (adjusted semi-annually) are charged based on a consumption threshold.

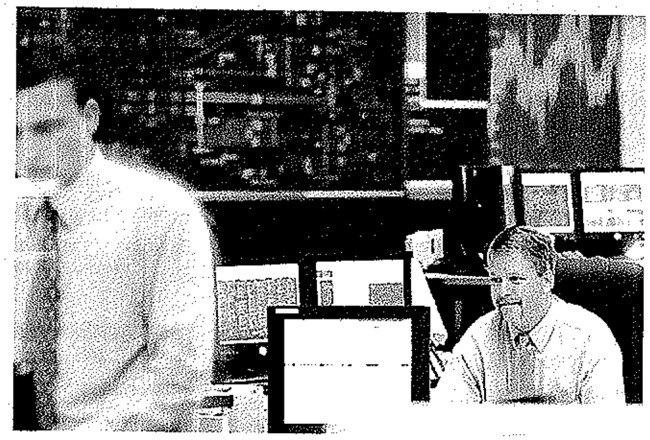
Effective May 1, 2009:

- 5.7 cents per kilowatt hour (kWh) up to 750 kWh
- 6.6 cents per kWh over 750 kWh

It is likely that most of your consumption is charged at the higher rate of 6.6 cents per kWh.

Public sector consumers who have already moved off the RPP pay market prices or the price in their retail contract or a combination of the two. The average market price with adjustments since November 2008 has been 5.4 cents per kWh.

Ontario's Electricity Market



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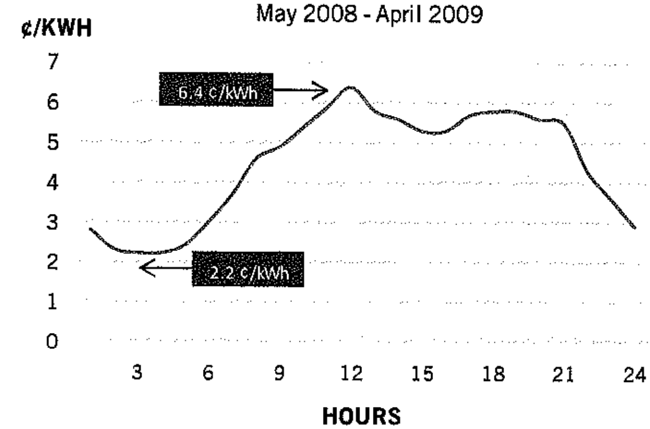
Factors such as weather, consumer behaviour and available generation cause the price to fluctuate over the course of the day. Many customers are able to respond to changes in the hourly price by shifting some of their demand to off-peak periods.

Hourly average electricity price:

May 2008 - April 2009



On average daytime prices are 35 per cent higher than at night and on weekends.