



Hydro One Networks Inc.
483 Bay Street, North Tower, 15th Floor
Toronto, Ontario M5G 2P5



April 23, 2010

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Decision and Order EB-2009-0230 (Hydro One Remote Communities Inc.)

Hydro One Remote Communities Inc. (“Remotes”) is a licensed distributor and generator responsible for providing electricity to off-grid communities. Remotes is not part of the competitive market and is operated on a not-for-profit, break-even basis. To keep customer bills in this service territory comparable to customer bills in grid-connected communities, most customers in Remotes’ service territory benefit from Rural or Remote Electricity Rate Protection. The Board regulates the costs related to all of Remotes’ activities, and Remotes’ actual operating costs are recovered through customers’ bills and through Rural or Remote Electricity Rate Protection.

The purpose of this letter is to inform the Board of Remotes’ implementation of the Board’s Decision in EB-2009-0230.

Remotes has “bundled” rates, so Remotes’ customer rates include both generation and distribution costs. Therefore, the Order for Distribution Volumetric Rates includes Remotes’ generation costs.

The Ontario Power Authority’s MicroFIT Program is currently limited to generators who connect to the IESO grid directly or through a distribution system. Remotes has not made changes to its billing system to accommodate this new customer classification. Remotes will assess what changes are necessary if a qualifying generator is identified.

Yours truly,

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Michael Engelberg
Assistant General Counsel
Hydro One Networks Inc.