

May 31, 2010

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

Dear Ms. Walli:

Re: Norfolk Power Distribution Inc – Cost of Service Application

On February 19 2010, Norfolk Power Distribution Inc (NPDI) informed the Ontario Energy Board of its intent to file a Cost of Service rate application in August 2010, for new rates effective May 1, 2011.

On April 20, 2010, NPDI received a letter from the OEB, addressed to all Licensed Electricity Distributors, regarding Early Rebasing Applications.

NPDI wishes to confirm that based on changes to its rate base and distribution revenue since it last rebased in 2008, it will meet the criteria for an “off-ramp” provision, earning less than its approved ROE, by more than 300 bps for the year 2011. On this basis NPDI wishes to confirm its intent to file a Cost of Service application in August 2010 for new rates effective May 1, 2011.

Should further information be required, please feel free to contact us.

Sincerely,



Brad Randall, P.Eng.
President and CEO
Norfolk Power Distribution Inc.
Email: brandall@norfolkpower.on.ca