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Newmarket-Tay Power Distribution Ltd.

January 17, 2011

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

VIA E-MAIL

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**RE: Newmarket – Tay Power Distribution Ltd.
Application for a Partial Exemption from the Mandated Time of
Use Pricing Date for Regulated Price Plan Customers**

In accordance with the Ontario Energy Board's letter of August 4, 2010 regarding determination under Section 1.2.1 of the Standard Supply Service Code to mandate time-of-use ("TOU") pricing for regulated price plan customers, Newmarket – Tay Power Distribution Ltd ("NTPDL") is hereby making application for a partial exemption from its mandated TOU pricing date (the "TOU Date").

NTPDL was expecting to meet its TOU Date for all eligible consumers. It currently has all of its eligible residential customers on TOU pricing and is using the SME's MDMR production system for this purpose.

NTPDL's specific request is for an exemption to its TOU Date of June, 2011 only with respect to its eligible GS<50 kW customers served with three phase services, and a new TOU Date of November, 2011. This exemption would affect 2,584 customers.

For NTPDL's GS<50 class customers, two types of Smart Meters are required:

1. Single phase meters that are identical to those used for residential class customers; and
2. Three phase meters

NTPDL ordered sufficient single phase meters in 2007 to equip all residential and applicable GS<50 class single phase customers with a Smart Meter. As there was only one vendor offering three phase Smart Meters compatible with

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NTPDL's chosen automated meter infrastructure system ("AMI") in 2007, procurement of these meters was deferred until a broader offering was available and pricing would be more competitive.

In 2010, NTPDL ordered sufficient meters to equip all applicable GS<50 three phase customers with Smart Meters. However, on September 22, 2010 as evidenced in the attached letter from the selected vendor, KTI Limited, NTPDL was informed that they would not be able to supply them.

Since that time NTPDL has been diligently seeking an alternate supplier for three phase Smart Meters and discussing delivery schedules with them.

As of the date of this application, NTPDL has selected an alternate supplier for its three phase Smart Meters and determined preliminary delivery schedules. Based on this information, NTPDL provides the following timeline for full implementation of TOU pricing for the eligible GS<50 class customers served with three phase services:

Activity	Date
Meter Delivery	July – August, 2011
Meter Install	September, 2011
AMI Performance Optimization	October, 2011
TOU Pricing Implementation	November, 2011

This timeline results in a TOU Date of November, 2011 for these customers. NTPDL notes that, should it experience any material delays in the meter delivery timeline given, it may seek a further partial exemption and change of mandatory TOU pricing date.

Please direct any correspondence in respect of this matter to:

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Yours truly,

[Original signed by]

P.D. Ferguson, P.Eng.
President