Ontario Energy Board P.O. Box 2319 27th Floor 2300 Yonge Street Toronto ON M4P 1E4 Telephone: 416- 481-1967 Facsimile: 416- 440-7656 Toll free: 1-888-632-6273 Commission de l'énergie de l'Ontario C.P. 2319 27e étage 2300, rue Yonge Toronto ON M4P 1E4 Téléphone: 416- 481-1967 Télécopieur: 416- 440-7656 Numéro sans frais: 1-888-632-6273



BY E-MAIL

February 3, 2011

George Armstrong & Steve Zebrowski Veridian Connections Inc. 55 Taunton Road East Ajax, ON L1T 3V3

Brian Elliott Lakeland Power Distribution Ltd. 200-395 Centre St. N Huntsville, ON P1H 2M2

Dear Applicants:

Re: Application by Veridian Connections Inc. and Lakeland Power Distribution Ltd. for Long Term Load Transfer & Service Area Licence Amendments Board File Number EB-2011-0007

LETTER OF DIRECTION

The Ontario Energy Board has now issued its Notice of Application with respect to the above application and a copy is enclosed. Please note that you must serve the Notice within fourteen days of the date of this letter. If service is impossible within fourteen days, you must inform the Board Secretary immediately.

You are directed:

- 1. To immediately have the Notice posted on your websites, if available.
- 2. To immediately serve a copy of the Notice and a suitable cover letter, in person, by courier or by registered mail, upon the customers subject to the above referenced application. You must include the information in the sample letter attached as

appendix A to this letter of direction in your cover letter to the LTLT customers proposed to be transferred to Lakeland Power Distribution Ltd.

- 3. To file with the Board affidavit evidence proving the above service immediately upon completion, with original post office registration receipts (where applicable), or courier confirmation lists attached as appendices.
- 4. To immediately have copies of the application made available for public review at the applicants' head offices.
- 5. To immediately provide a copy of the application to any person upon request.

You are further directed not to include any document(s) or material(s) when serving the Notice other than document(s) or material(s) expressly required by this Letter of Direction to be served.

All correspondence to the Board regarding this matter must quote file number EB-2011-0007 and must consist of one electronic copy e-mailed to BoardSec@oeb.gov.on.ca and two hard copies filed with the Board Secretary.

Yours truly,

Original signed by

Kirsten Walli Board Secretary

Encl.

Appendix A

Sample Letter to the LTLT Customers Proposed to be Transferred to Lakeland Power Distribution Ltd.

YOUR ELECTRICITY DISTRIBUTOR MAY BE CHANGING

Dear customer:

Your electricity distributor, Veridian Connections Inc. ("Veridian") and Lakeland Power Distribution Ltd. ("Lakeland Power") filed a joint application with the Ontario Energy Board requesting a change to their electricity distribution service area. If the application is approved, you will become a customer of Lakeland Power. You are not required to take any action in response to this letter but you may wish to let the Ontario Energy Board know of any concerns you may have about the application.

As you know, you are currently a customer of Veridian and charged Veridian's rates for electricity distribution services. However, you may not know that your electricity is physically supplied by Lakeland Power. You are within Veridian's service area but are actually served electricity by Lakeland Power. This arrangement is known as a long term load transfer.

The Ontario Energy Board requires geographic electricity distributors (in your case, Veridian) to eliminate long term load transfer arrangements before June 30, 2014. One option available to distributors to meet this requirement is to permanently transfer the load transfer customers to the electricity distributor that physically supplies them (in your case, Lakeland Power).

To eliminate the load transfer arrangements between Veridian and Lakeland Power, both distributors filed a joint application with the Ontario Energy Board for an order approving changes to their distribution service areas in order to transfer you to Lakeland Power's service area. If the Board approves the application, you will become a customer of Lakeland Power; you will be supplied and served by Lakeland Power and will be charged Lakeland Power's distribution rates which are lower than Veridian's distribution rates.

An official Notice of Application was issued by the Board, a copy of which is attached to this letter. The Notice contains information about how to participate in the proceeding associated with the application.

If you have any questions about this letter, please call Steve Zebrowski from Veridian Connections Inc. at 905-427-9870 ext 3274.