



P.O. Box 20, 950 River Road West, Wasaga Beach, Ontario L9Z 1A2
Tel: (705) 429-2517 Fax: (705) 429-2590 E-mail: hydro@wasagadist.ca

April 2, 2011

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

Dear Ms. Walli:

RE: Wasaga Distribution Inc. – Application for extension of mandated Time-of-Use Pricing Date (EB-2010-0218)

Application:

This application, submitted on behalf of Wasaga Distribution Inc. ("WDI") seeks an extension to WDI's mandated Time-of-Use ("TOU") end date pursuant to the Determination under Section 1.2.1 of the Standard Supply Service Code to Mandate TOU Pricing for Regulated Price Plan Customers Board File EB-2010-0218 ("Determination"). Having regard for WDI's circumstances as described in more detail in the following, in summary, WDI requests that the Ontario Energy Board ("Board") adjust WDI's mandatory TOU end date from June 2011 to November 2011.

Wasaga Distribution Inc. does not request we be exempted from moving its Regulated Price Plan (RPP) customers to Time-of-Use Pricing (TOU), per the Standard Supply Service Code (SSSC). WDI acknowledges that TOU is a matter of provincial energy policy and that both the Board and WDI have roles to play in implementing that policy.

Background:

In 2009 as one of the initial steps of the TOU process WDI along with all of the other provincial LDCs were asked to forecast baseline dates for enrolment and TOU invoicing expectations. In July 2010 the Board invited comment on the Determination study that was underway. On July 8, 2010 a letter of comment was provided by Cornerstone Hydro Electric Concepts Association Inc (“CHEC”) representing its’ member LDCs, which included Wasaga Distribution Inc.

CHEC presented the membership’s position; first with a statement that it did not support a mandated date for TOU because it believed this would be counter-productive, and second provided specific comment on a number of items. One of these was a recommendation that sufficient time be allowed to coordinate customer presentment at the same time as TOU rates. Another suggestion was that the Board consider implementation of TOU in the shoulder month time periods and provide a LDC the opportunity to modify the implementation date based on local conditions.

On August 4, 2010 the Board issued the Determination decision. Section I: Issuance of Final Determination was provided in the decision and the Board used the original 2009 forecasted baseline dates to establish mandatory TOU end dates. In WDI’s case the mandated end date was set as June 2011.

In Section II a summary of comments was provided and Part C covered Baseline Plans. The Board referred to the June 2009 filing of distributor’s baseline plans and it was pointed out as well that there was ample opportunity for distributors to update their baseline plans up to the issuance of the June 2010 Proposed Determination. Realistically this was not the case for most distributors because they were caught up in the various processes involved in deploying technology and establishing processes for

billing system implementation and preparing for TOU. Until those processes were completed further consideration of timelines could not be more accurately undertaken.

Further, in Section II – Part D under Other Issues, the Board acknowledged that distributors may encounter extraordinary and unanticipated circumstances during the implementation of TOU pricing. The Board requested that if so these matters be brought to the Board's attention without delay in order for the Board to assess the impact on the distributor's mandatory TOU end date and assess whether any adjustment is warranted.

In the past 18 months, WDI has implemented a new ODS, new CIS and AMI network and coordinating the roll-out and training on this technology has caused unforeseen additional delays that were not anticipated when testing began.

Wasaga Distribution Inc. is currently engaged in testing with the IESO. The testing has proven to be more resource intensive than anticipated; several technical issues have caused delays. We have been working directly with the IESO to meet realistic milestones ensuring that we can be successful moving forward. New project plans have been submitted and approved by the IESO March 31, 2011.

Implementation Plan as of March 2011:

Upon successful completion of Unit Testing, SIT and QT, and receiving approval for cut-over to the MDMR Wasaga Distribution will provide its' customer education and implementation plan to the customer base. The plan includes shadow billing information in advance of actual TOU invoicing. Two months of comparative billing will be presented to ensure that all customers have an opportunity to review and then implement any desired adjustment to their usage patterns. Otherwise TOU pricing will be impacting them before they have a chance to make any changes.

Wasaga Distribution Inc. will also provide TOU web presentment to assist the customer in advance of being exposed to TOU price impacts. This will ensure the customer has a valuable education tool available to understand how the new pricing regime is expected to impact them and again make adjustment ahead of the new pricing. This should be completed early fall.

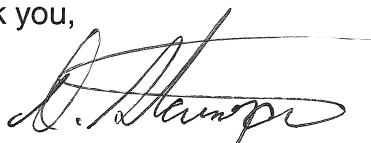
September WDI fully expects to be completely prepared to introduce TOU invoicing on a staged process. This will be successfully completed over 6 weeks and be completed by the end of October. As per the OEB's mandate, our next update is required by April 10, 2011 and in discussions with our partners, vendors and testing resources, we feel it would be best for our LDC to request an extension on our TOU billing date to November 2011. We feel this extension to November 2011 will allow us to better serve our customers and still meets the objective of meeting TOU rates in our service territory in a timely manner.

Extension of Mandatory TOU End Date:

Wasaga Distribution Inc. submits to the Board that for the reasons explained in the previous information the Board adjusts WDI's mandatory TOU end date from June 2011 to November 2011.

If further information is required please contact us.

Thank you,

A handwritten signature in black ink, appearing to read "D. Stavinga", with a long horizontal flourish extending to the right.

Dave Stavinga CET
Manager, Energy Services
Wasaga Distribution Inc.