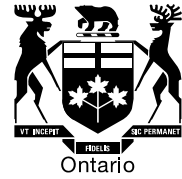


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**BY E-MAIL**

May 10, 2011

Mr. Scott Stoll  
Counsel  
Ontario Waterpower Association  
382 Armour Road  
Suite 210  
Peterborough ON K9H 7L7

Dear Mr. Stoll:

**Re: Ontario Waterpower Association  
Application to Amend Hydro One Networks Inc.'s Electricity Distribution  
Licence  
Board File Number EB-2011-0067**

This will acknowledge receipt of your May 6, 2011 letter along with an updated version of Exhibit K2.1 and response to Undertaking J1.2.

The Board made an oral Decision and Order on May 5, 2011 with respect to the above application.

In your letter, you stated that the Ontario Water Power Association (the "OWA") "understood that the Board's decision was intended to benefit the proponents shown on Undertaking Response J1.2 who have already paid the 100% deposit". Paragraph 7 which reflects this understanding was added to the updated version of Exhibit K2.1.

The Board wishes to confirm that the effective date of its Decision and Order was May 5, 2011. The effect of the Board's Decision and Order was not meant to be extended to those waterpower projects that had paid the full 100% deposit. Those projects paid the full deposit voluntarily and did not choose to apply to the Board for interim relief.

Except for paragraph 7, the Board accepts the updated version of Exhibit K2.1. Hydro One Networks Inc.'s electricity distribution licence will be amended to reflect the Board's Decision and Order shortly.

Yours truly,

*Original signed by*

Kirsten Walli  
Board Secretary