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 27^e 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

June 17, 2011

Ms. Gia M. DeJulio Director, Regulatory Affairs Enersource Hydro Mississauga Inc. 3240 Mavis Rd. Mississauga, ON L5C 3K1

Dear Ms. DeJulio:

Re: Multi-year Electricity Distribution Rate Setting Plan 2012 Electricity Distribution Rates - EB-2011-0100

By letter dated March 1, 2011, the Board identified Enersource Hydro Mississauga Inc. ("Enersource") as one of the distributors expected to file its 2012 rate application on a cost of service basis. The Board is in receipt of your letter dated April 1, 2011 requesting that Enersource be permitted to defer the rebasing of its rates beyond the 2012 rate year.

The Board has considered the rationale for deferral set out in your letter, as well as the following:

- Enersource's financial position, as shown in its audited financial statements and financial reporting to the Board;
- Enersource's 3-year performance with respect to system reliability indicators and electricity service quality requirements/indicators, as reported to the Board; and
- Credit rating information obtained about Enersource.

Based on these considerations, the Board has concluded that it will not require Enersource's 2012 rates to be set on a cost of service basis. The Board will place Enersource on the list of distributors whose rates will be scheduled for rebasing for the 2013 rate year. The Board expects Enersource to adhere to the process for 3rd generation incentive regulation distribution rate applications for the 2012 rate year as may be determined by the Board.

The Board has reserved file number EB-2011-0100 for Enersource's 2012 rate application. Please refer to this file number in all correspondence related to your 2012 rate application.

Yours truly,

Original signed by

Kirsten Walli Board Secretary