

**Ontario Energy  
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**Commission de l'énergie  
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**BY E-MAIL**

September 27, 2011

John Grotheer  
President and CEO  
Cambridge and North Dumfries Hydro Inc.  
1500 Bishop Street, P.O. Box 1060  
Cambridge ON N1R 5X6

Yoon Kim  
Applications Analyst – Regulatory Affairs  
Hydro One Networks Inc.  
483 Bay Street, 8<sup>th</sup> Floor  
South Tower  
Toronto ON M5G 2P5

### **LETTER OF DIRECTION**

Dear Messrs. Grotheer and Yoon:

**Re: Application by Cambridge and North Dumfries Hydro Inc. for Long Term  
Load Transfer & Service Area Licence Amendment  
Board File Number EB-2011-0321**

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. Hydro One Networks Inc. to immediately serve a copy of the Notice and a suitable cover letter, in person, by courier or by registered mail, upon the customer 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 customer proposed to be transferred to Cambridge and North Dumfries Hydro Inc.
3. Hydro One Networks Inc. 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 attached as appendices.
4. To immediately have copies of the application made available for public review at the Cambridge and Hydro One's 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-2011-0321 and must consist of one electronic copy e-mailed to BoardSec@ontarioenergyboard.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 Customer Proposed to be Transferred to Cambridge and North Dumfries Hydro Inc.**

#### **YOUR ELECTRICITY DISTRIBUTOR MAY BE CHANGING**

Dear customer:

Cambridge and North Dumfries Hydro Inc. ("Cambridge") filed an application with the Ontario Energy Board requesting a change to its electricity distribution service area and your electricity distributor, Hydro One Networks Inc. ("Hydro One"), has consented to this application. If the application is approved, you will become a customer of Cambridge. 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 Hydro One and charged Hydro One's rates for electricity distribution services. However, you may not know that your electricity is physically supplied by Cambridge. You are within Hydro One's service area but are actually served electricity by Cambridge. This arrangement is known as a long term load transfer.

The Ontario Energy Board requires geographic electricity distributors (in your case, Hydro One) 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, Cambridge).

To eliminate the load transfer arrangements between Hydro One and Cambridge, Cambridge with Hydro One's consent filed an application with the Ontario Energy Board for an order approving changes to their distribution service areas in order to transfer you to Cambridge's service area. If the Board approves the application, you will become a customer of Cambridge; you will be supplied and served by Cambridge and will be charged Cambridge's distribution rates which are lower than Hydro One'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 Yoon Kim from Hydro One Networks Inc. at 416-345-5228.