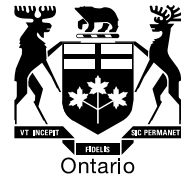


**Ontario Energy
Board**
P.O. Box 2319
27th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

**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

October 5, 2011

Phillip Wormwell
Director of Corporate Services
Niagara-on-the-Lake Hydro Inc.
P.O. Box 460
8 Henegan Road
Virgil, ON L0S 1T0

LETTER OF DIRECTION

Dear Mr Wormwell:

**Re: Niagara-on-the-Lake Hydro Inc.
Application for 2012 Distribution Rates
Board File No. EB-2011-0186**

The Ontario Energy Board has now issued its Notice relating to your 2012 3rd Generation Incentive Regulation Distribution Rates Application (the "Notice"). Please note that you must publish the notice within **fourteen days** of the date of this letter. If publication is not possible within fourteen days, you must inform the Board Secretary immediately.

You are directed:

1. To arrange immediately for the enclosed English version of the Notice, headed with the Ontario government logo and the words "Ontario Energy Board", to be published in one issue of the English language newspaper having the highest circulation, according to the best information available, in Niagara-on-the-Lake Hydro Inc.'s service area;

Please note that invoices regarding publication are not to be sent to the Board.

2. To immediately, and no later than the date of publication of the Notice, serve a copy of the Notice directly on all intervenors of record in Niagara-on-the-Lake Hydro Inc.'s previous cost of service rate application proceeding EB-2008-0237;

3. If Niagara-on-the-Lake Hydro Inc. is a Host Distributor, to immediately, and no later than the date of publication of the Notice, serve a copy of the Notice directly on its Embedded Distributor(s);
4. To file with the Board an affidavit proving publication and, where applicable, service of the Notice immediately thereafter;
5. To make a copy of the application and evidence, and any amendments thereto, available for public review at Niagara-on-the-Lake Hydro Inc.'s office and on its website;
6. To make a copy of the Notice available for public review at Niagara-on-the-Lake Hydro Inc.'s office and on its website; and,
7. To provide a copy of the application and evidence, and any amendments thereto, to anyone requesting the material.

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.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary

Encl.