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**Susan Frank**

Vice President and Chief Regulatory Officer  
Regulatory Affairs



BY COURIER

November 15, 2011

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

Dear Ms. Walli:

**EB-2011-0118 – Hydro One Networks Inc. Application for Exemption from Section 6.2.6 & 6.2.7 of Distribution System Code - Draft Report**

As stipulated in Ontario Energy Board's (the "Board") Order #7, Hydro One is filing a draft compliance report with the Board.

Appendix B of the Board's Decision and Order listed five proposed inclusions for compliance reporting: (i) Exhibit K1.1; (ii) Exhibit K2.1; (iii) Exhibit J1.7; (iv) Exhibit J1.11 and; (v) Exhibit J1.12. Hydro One will provide to the Board and Intervenors the information contained in the proposed Exhibits. However, the information contained in Exhibit K1.1 is also provided in Exhibit K2.1. As well, as noted by Board Staff during the hearing, by design K2.1 combines the elements of J1.7 and J1.11. Therefore, to avoid duplication, Hydro One is proposing to file the information in K2.1 and J1.12 as the draft compliance report.

Hydro One will provide monthly compliance reports measuring performance against the Distribution System Code (the "Code") and separately measured against the exemption for section 6.2.6, granted for Group B. We believe this to be the appropriate presentation to enable the Board and Intervenors to track Hydro One's progression towards compliance with the Code.

For measuring compliance with the provisions of the exemption, Hydro One considers all open applications still being processed to be subject to the provisions of the exemption.

Hydro One also proposes that the report should contain information as of month end. Hydro One currently has a month end reporting process and aligning the monthly reports with our existing process would be an efficient use of Hydro One resources. Also, it would be consistent with the month end snapshots provided for Undertaking J1.11. Therefore, Hydro One will file monthly reporting containing data as of month end and reports to be filed no later than seven business days after month end.

The form of report is provided in the attached tables.

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank

## Hydro One Networks DSC Exemption

EB-2011-0118

### Compliance Report for the Period:

The following tables provide the information requested in the compliance report. Tables 1 to 3 are related to compliance with section 6.2.6 of the Code and Table 4 reports on compliance with 6.2.7 of the Code.

#### Monthly Highlights Update

In this section Hydro One will provide a narrative on the data and any key updates that explain trends, and variations in the monthly data, and any deviations from the Plan (especially as these may relate to the Underlying Assumptions and the risks that were previously identified).

**Table 1 – Volume of Applications and Compliance Status**

| Type of Connection             | Total Projects | Offers to Connect |     | Refusals |     | Under Review |     |
|--------------------------------|----------------|-------------------|-----|----------|-----|--------------|-----|
|                                |                | C                 | N/C | C        | N/C | C            | N/C |
| 15 days Indirect               |                |                   |     |          |     |              |     |
| 15 days, Indirect & site visit |                |                   |     |          |     |              |     |
| 30 days, Indirect & site visit |                |                   |     |          |     |              |     |
| 60 days, Direct                |                |                   |     |          |     |              |     |

*“C” indicates compliant; “N/C” indicates non-compliant*

**Table 2 – Application Handle Times**

| Type of Connection    | Average | Maximum | Minimum |
|-----------------------|---------|---------|---------|
| Indirect              |         |         |         |
| Indirect & site visit |         |         |         |
| Direct                |         |         |         |
| Total                 |         |         |         |

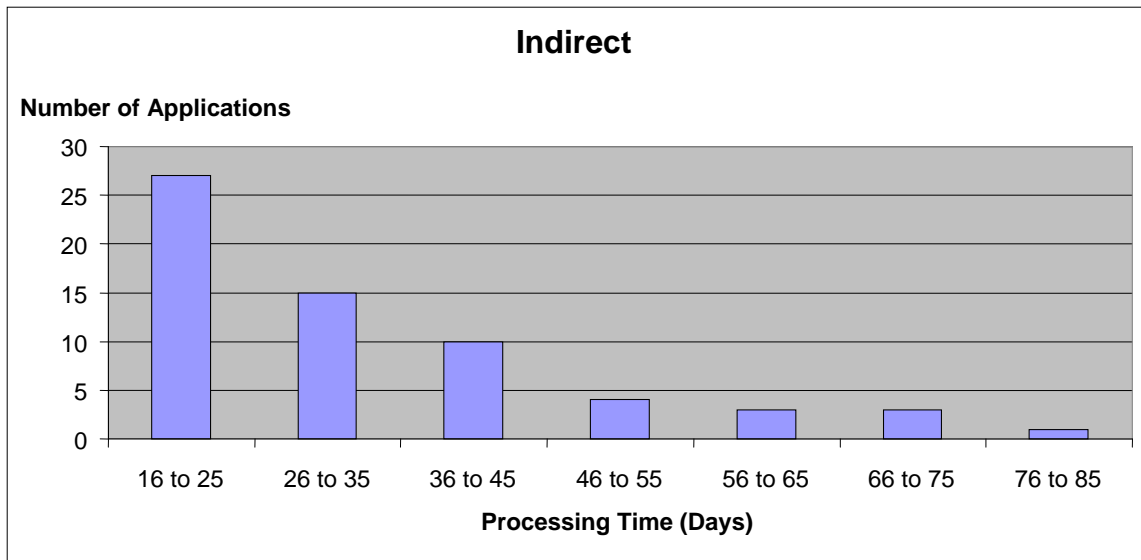
**Table 3 – Applications No Longer Being Processed**

| Type of Connection    | Incomplete | Withdrawn | Expired |
|-----------------------|------------|-----------|---------|
| Indirect              |            |           |         |
| Indirect & site visit |            |           |         |
| Direct                |            |           |         |
| Total                 |            |           |         |

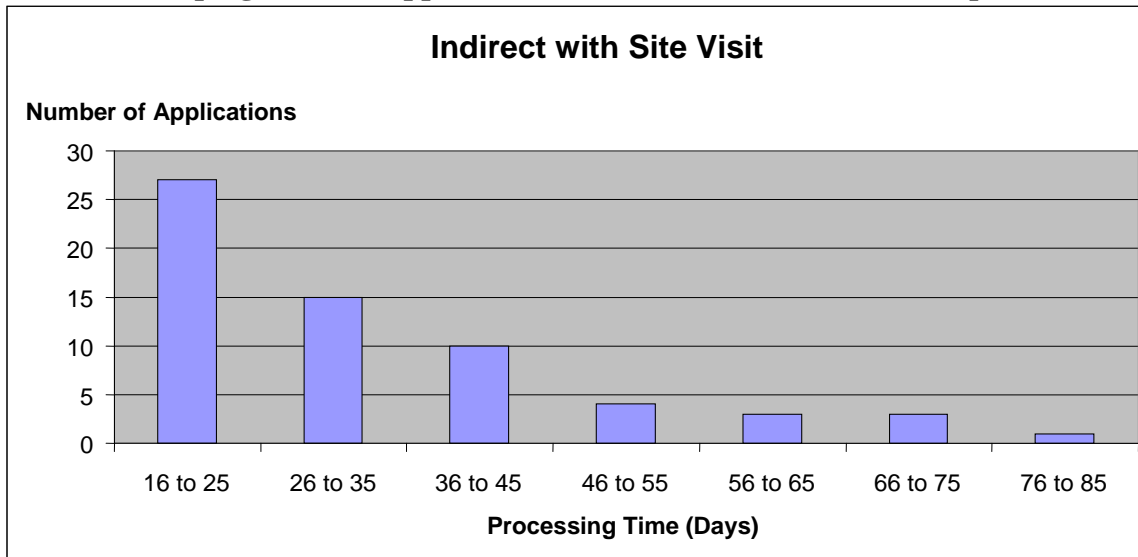
**Table 4 – Connection Compliance Status**

| Total Projects | Connections Made |     |                 |
|----------------|------------------|-----|-----------------|
|                | C                | N/C | Mutual Deferral |
|                |                  |     |                 |

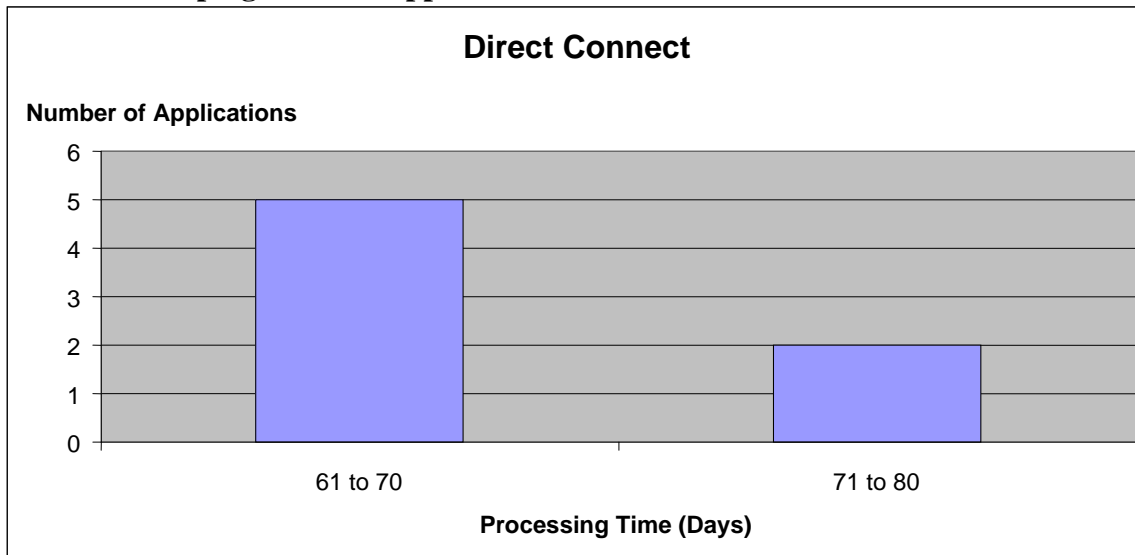
**Graph 1 – Date Groupings of Late Applications of Indirect Customers**



**Graph 2 – Date Groupings of Late Applications of Indirect Customers that require a site visit**



**Graph 3 – Date Groupings of Late Applications of Direct Customers**



**Additional Notes**

This section will be used, if and when necessary, to highlight any approximations, assumptions and specific data anomalies in the interest of complete disclosure and to prevent misinterpretation of the results.