

**Ontario Energy  
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**Commission de l'énergie  
de l'Ontario**  
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**BY EMAIL**

January 20, 2012

Mr. Brian Rivard  
Manager, Regulatory Affairs & Policy Sector Analysis  
Independent Electricity System Operator  
Station A, Box 4474  
Toronto, ON, M5W 4E5

Dear Mr. Rivard:

**Re: Collection of Compensation Amounts under Ontario Regulation 330/09 for 2012**

Ontario Regulation 330/09 under the *Ontario Energy Board Act, 1998*, regarding cost recovery for eligible investments for the purpose of connecting or enabling the connection of a qualifying generation facility to a distribution system, requires the Ontario Energy Board to calculate the monthly amount to be collected by the Independent Electricity System Operator (the "IESO") to provide compensation to qualifying distributors for rate protection provided to consumers.

On July 21, 2010 the Board issued its EB-2010-0191 decision, authorizing the IESO to implement the charge for 2010.

On December 21, 2010 the Board issued its decision for 2011 (EB-2010-0191), based on the approved 2011 Distribution Rate Order for Hydro One Networks Inc.

On May 31, 2011 the Board issued an additional decision for 2011, based on the approved 2011 Distribution Rate Order for Hydro One Brampton Networks Inc (EB-2011-0125).

**Amount to be charged by the IESO in 2012**

In its EB-2012-0009 Decision and Order, the Board has determined that effective January 1, 2012 and until such time as the Board revises it, the amount to be collected by the IESO from all market participants in the year 2012 shall be \$19,876,135, or \$1,656,345 per month (based on a 12 month recovery period).

The Board expects the IESO to implement this charge as soon as possible with monthly amounts adjusted, if necessary, to ensure the entire amount is collected and remitted to the qualifying distributors in a timely manner.

The following monthly amounts are to be forwarded to the following qualifying distribution utilities:

- |                                    |             |
|------------------------------------|-------------|
| • Hydro One Networks Inc.          | \$1,641,667 |
| • Hydro One Brampton Networks Inc. | \$ 13,971   |
| • Horizon Utilities Corporation    | \$ 707      |

Yours truly,

*Original Signed By*

Kirsten Walli  
Board Secretary

Cc Hydro One Networks Inc.  
Hydro One Brampton Networks Inc.  
Horizon Utilities Corporation

Attachment