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Midland Ontario L4R 4P4

April 13, 2012

Ontario Energy Board  
2300 Yonge Street  
26<sup>th</sup> Floor  
P.O. Box 2319  
Toronto, Ontario  
M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: Midland Power Utility Corporation ("Midland PUC") – 2012 IRM3 Rate Application  
Licence #ED 2002-0541; Board File No. EB-2011-0182

The Board issued its Decision and Order (the "Decision") in Midland PUC's application for 2012 electricity distribution rates and other charges on April 4, 2012. In its Decision, the Board directed Midland PUC to file a draft Rate Order that includes revised models in Microsoft Excel format and a proposed Tariff of Rates and Charges reflecting the Board's findings in the Decision within 7 days of the date of issuance.

Midland PUC discussed this deadline with Board staff and received an extension on the filing until April 13, 2012 due to the Easter holiday weekend.

The required material accompanies this letter. However, Midland PUC wishes to advise the Board at this time that it is considering bringing a motion to the Board, under Rule 42 of its *Rules of Practice and Procedure* (the "Rules"), requesting that the Board review and vary a portion of the Decision. More specifically, the motion would relate to the Board's Decision as it relates to the disposition of Account 1562: Deferred Payments in Lieu of Taxes.

Midland PUC is still calculating the impact of the Board's Decision in this regard, but it appears on a preliminary basis that the approach adopted by the Board to the disposition of that balance will cost Midland PUC approximately \$275,000 more in payments to customers compared to the approach that Midland PUC believes is correct and consistent with the Board's determinations in other similar proceedings. This is a significant amount for Midland PUC, and it is likely that the motion will be filed.

Midland PUC's understanding is that the Rules provide for 20 days in which to bring the motion. Midland PUC is bringing this matter to your attention at this time in order to ensure that the Board, Board Staff and VECC are aware that while the credit rider related to Account 1562 has been calculated in accordance with the Decision for review by Board Staff and VECC, Midland PUC anticipates that it will request that the Board stay that portion of the Decision and the implementation of that portion of the Rate Order relating to the disposition of the balance in Account 1562 pending the determination of the motion.

Yours very truly,

**MIDLAND POWER UTILITY CORPORATION**

A handwritten signature in black ink, appearing to read "P. Marley", with a long horizontal stroke extending to the left.

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