

CAMBRIDGE AND NORTH DUMFRIES HYDRO INC.

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May 29, 2012

Ms. Kirsten Walli, Board Secretary Ontario Energy Board P.O. Box 2319 2300 Yonge Street, 27th Floor Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Cambridge and North Dumfries Hydro Inc.
Participation in Consultation Process EB-2012-0246

Cambridge and North Dumfries Hydro Inc. (CND) wishes to participate in the consultation process with regards to the policy review of micro-embedded generation connection issues identified as EB-2012-0246. We do not request cost eligibility in this matter.

CND has identified two issues with which we encourage further consultation, both of which relate to item 4) Experience with the Monthly Service Charge, in the list of six items for further review noted in the Board letter of May 15, 2012:

- 1) The monthly service charge of \$5.25 is currently too low to appropriately recover the full costs of providing services to such customers and the contract administration for OPA/IESO requirements.
- 2) Current direction from the Board to LDCs is that they shall not charge for consumption by microFIT generators in spite of the fact that bi-directional metering is required and consumption is monitored. With the addition of monitoring equipment and step-up transformers to some installations, this consumption is not trivial. We would request further consideration of this position by the Board with a view to adopting the OPA's position in their microFIT Rules document whereby settlement of payments to generators shall be "net of station load".

For further information in this regard please contact

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Sincerely,

CAMBRIDGE AND NORTH DUMFRIES HYDRO INC.

John W. Grotheer President and CEO