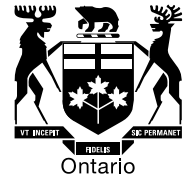


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BY E-MAIL

June 18, 2012

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

Dear Ms. Walli:

**Re: Board staff comments on draft Rate Order
Niagara on the Lake Hydro Inc.
Application for 2012 Smart Meter Cost Recovery effective May 1, 2012
Application Board File Number EB-2012-0036**

In accordance with the procedure documented in the Decision and Order, issued on June 7, 2012, please find attached Board staff's comments in the above proceeding with respect to Niagara on the Lake Hydro Inc.'s draft Rate Order, filed on June 11, 2012.

Sincerely,

Original Signed By

Stephen Vetsis
Analyst - Applications

Attachment

**Niagara-on-the-Lake Hydro Inc. (“NOTL”)
2012 Application for Smart Meter Cost Recovery (EB-2012-0036)**

Board Staff Comments on Draft Rate Order

On June 7, 2012, the Board issued its Decision and Order on NOTL’s 2012 application for smart meter cost recovery. The Decision required NOTL to submit a draft Rate Order by June 14, 2012. NOTL submitted its draft Rate Order and supporting documentation on June 11, 2012. Board staff submits that NOTL has appropriately reflected the Board’s findings in all areas of the draft Rate Order except for the area noted below.

Effective and Implementation Date

In its Decision and Order, the Board approved an effective date of May 1, 2012 and an implementation date of July 1, 2012 for NOTL’s proposed rate riders. The proposed tariff of rates and charges filed with NOTL’s draft Rate Order, on June 11, 2012, indicates both an effective and implementation date of July 1, 2012. Board staff submits that the proposed tariff be corrected by the Board to reflect the effective date of May 1, 2012 for NOTL’s smart meter rate riders, as approved by the Board.