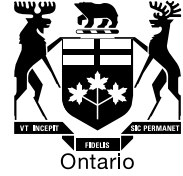


**Ontario Energy Board**  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto ON M4P 1E4  
Telephone: 416-481-1967  
Facsimile: 416-440-7656  
Toll free: 1-888-632-6273

**Commission de l'énergie  
de l'Ontario**  
C.P. 2319  
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2300, rue Yonge  
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Téléphone: 416-481-1967  
Télécopieur: 416-440-7656  
Numéro sans frais: 1-888-632-6273



**BY E-MAIL**

September 14, 2012

W.G. Zehr  
Festival Hydro Inc.  
P.O. Box 397  
Stradford ON N5A 6T5

**LETTER OF DIRECTION**

Dear Mr. Zehr:

**Re: Festival Hydro Inc. ("Festival Hydro")  
Application for 2013 Distribution Rates  
Board File Number: EB-2012-0124**

The Ontario Energy Board has now issued its Notice of Application and Hearing relating to your 2013 incentive regulation mechanism rates application (the "Notice"). Please note that you must publish the Notice within **fourteen days** of the date of this letter. If publication is not possible within fourteen days, you must inform the Board Secretary immediately.

You are directed:

1. To arrange immediately for the publication of the English version of the Notice, in the form accompanying this Letter of Direction, including all graphics and the words "Ontario Energy Board", in one issue of the English language newspaper having the highest circulation, according to the best information available, in Festival Hydro's service area;

Please note that invoices regarding publication are not to be sent to the Board.

2. To immediately, and no later than the date of publication of the Notice, serve a copy of the Notice directly on all intervenors of record in Festival Hydro's previous cost of service rate application proceeding EB-2009-0263, namely;

Energy Probe Research Foundation

School Energy Coalition  
Vulnerable Energy Consumers Coalition

3. If Festival Hydro is a Host Distributor, to immediately, and no later than the date of publication of the Notice, serve a copy of the Notice directly on its Embedded Distributor(s);
4. To file with the Board an affidavit proving publication and service of the Notice immediately thereafter;
5. To make a copy of the application and evidence, and any amendments thereto, available for public review at Festival Hydro's office and on its website;
6. To make a copy of the Notice available for public review at Festival Hydro's office and on its website; and,
7. To provide a copy of the application and evidence, and any amendments thereto, to anyone requesting the material.

You are further directed not to include any document(s) or material(s) when serving the Notice other than document(s) or material(s) expressly required by this Letter of Direction to be served.

Yours truly,

Original signed by

Kirsten Walli  
Board Secretary

Encl.