Hydro One Networks Inc.

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Susan Frank

Vice President and Chief Regulatory Officer Regulatory Affairs



BY COURIER

October 16, 2012

Ms. Kirsten Walli Secretary Ontario Energy Board Suite 2700, 2300 Yonge Street P.O. Box 2319 Toronto, ON. M4P 1E4

Dear Ms. Walli:

EB-2012-0343 – Hydro One Networks Inc. Request for Extension to the Exemptions from Sections 6.2.6 & 6.2.7 of the Distribution System Code

With respect to the exemption requested by Hydro One Networks Inc. ("Hydro One") in this proceeding, there were three submissions from -- the Power Workers' Union (PWU), Canadian Solar Industries Association (CanSIA), and Board Staff. The submissions of the PWU and Board Staff supported Hydro One's rationale and request. As such, Hydro One is not providing a response to their submissions.

CanSIA commented that, "it would not be appropriate to grant an extension that continues for such an indefinite period." The indefinite period referred to is the length of time it would take for the Board to conclude its consultation proceeding on micro-embedded generation issues (EB-2012-0246). CanSIA went on to recommend that the extension be granted for the earliest of: a period of twelve months or three months after the Board concludes EB-2012-0246.

CanSIA did not provide details as to why it opposes the linkage between the exemption and the Board's consultation on micro-embedded generation issues. However, Hydro One believes that this linkage is clear. As well, the 100% compliance threshold is unattainable, and Hydro One's efforts to achieve 100% compliance have created inefficiencies for Hydro One.



Hydro One does require a period of six-months to complete any system and process changes that may be required depending on the results of the Board's consultation on micro-embedded generation issues. Changes to complex information technology systems, and the associated process changes in the field can take several months to scope, implement, test and approve. Further, additional time is required for staff training and process refinements to be able to achieve compliance at the end of the extension period. As such, Hydro One reiterates that it needs a period of six-months after the Board concludes its proceeding on micro-embedded generation issues.

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank