

October 19, 2012

By RESS and Courier

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

Dear Ms. Walli;

Re: Horizon Utilities Corporation ED-2006-0031

Application for Disposition of Account 1562 Deferred Payments in Lieu of

Taxes ("PILs") EB-2012-0005

Board staff Comments on the Draft Tariff of Rates and Charges

On October 4, 2012, the Ontario Energy Board ("OEB" or the "Board") issued its Decision and Order in the above-captioned proceeding. Subsequently, on October 11, 2012, the Board issued a corrected version of the Decision and Order (the "Decision").

Horizon Utilities Corporation ("Horizon Utilities") filed its Draft Rate Order and Tariff of Rates and Charges ("DRO") on October 15, 2012. Horizon Utilities received the submission of Board staff on the DRO on October 18, 2012. In that submission, Board staff indicated that it "ha[d] no concerns with the material filed and submits that it accurately reflects the Board's Decision."

Horizon Utilities has no further comments in response to Board staff's submission on the DRO and will await the Final Rate Order and Tariff of Rates and Charges from the Board.

Should you have any questions or require further information, please do not hesitate to contact me.

Yours truly,

Original signed by Indy J. Butany-DeSouza

Indy J. Butany-DeSouza, MBA Vice-President, Regulatory Affairs Horizon Utilities Corporation

cc. Intervenors of Record (electronic version only)