Hydro One Networks Inc.

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Susan Frank

Vice President and Chief Regulatory Officer Regulatory Affairs



BY COURIER

October 31, 2012

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

Dear Ms. Walli:

EB-2010-0282 – Progress towards implementing time-of-use ("TOU") pricing for the 150,000 customers affected by the exemption

Hydro One Networks Inc. ("Hydro One") filed an application with the Ontario Energy Board ("OEB") on September 16, 2010, under section 74 of the Ontario Energy Board Act, 1998, seeking an exemption from its mandated TOU pricing date for approximately 150,000 Regulated Price Plan ("RPP") customers that were located outside the reach of Hydro One's smart meter telecommunications infrastructure. On January 13, 2011, the OEB granted Hydro One's exemption application. As part of its Decision and Order, the OEB directed Hydro One to file with the OEB quarterly reports on its progress towards implementing TOU pricing for the customers for whom it has received the exemption.

This letter provides Hydro One's current status regarding approximately 150,000 RPP customers who, as of January 1, 2011, were outside the reach of the company's smart meter telecommunications infrastructure. As of September 30, 2012, 34,292 customers (among the 150,000 affected customers) have been successfully migrated onto TOU billing due to improvements in the existing technology platform.

Sincerely,

ORGINAL SIGNED BY SUSAN FRANK

Susan Frank