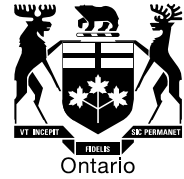


**Ontario Energy
Board**
P.O. Box 2319
27th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

**Commission de l'énergie
de l'Ontario**
C.P. 2319
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone; 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



BY E-MAIL

November 5, 2012

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, Ste. 2701
Toronto ON M4P 1E4

Dear Ms. Walli:

**Re: Veridian Connections Inc.
Application for Disposition and Recovery of Costs Related to Smart Meter
Deployment – Comments on Draft Rate Order
Board File No. EB-2012-0247**

Please find attached Board Staff's comments on the draft Rate Order filed by Veridian Connections Inc. on October 29, 2012.

Sincerely,

Original signed by

Daniel Kim
Analyst – Applications & Regulatory Audit

Encl.

Veridian Connections Inc. (“Veridian”)
Application for Disposition and Recovery of Costs Related to Smart Meter
Deployment (EB-2012-0247)

Board Staff Comments on Draft Rate Order

On October 25, 2012, the Board issued its Decision and Order (the “Decision”) on Veridian’s disposition and recovery of costs related to smart meter deployment application. The Decision required Veridian to submit a draft Rate Order including a proposed Tariff of Rates and Charges within six days of the issuance of the Decision. Veridian submitted its draft Rate Order and proposed Tariff of Rates and Charges on October 29, 2012. On October 30, 2012 Veridian submitted an Excel spreadsheet (i.e. Appendix A) with the calculations of the SMDR and SMIRR rate riders.

Board staff agrees that Veridian has appropriately reflected the Board’s findings in its draft Rate Order and proposed Tariff of Rates and Charges.

Board staff notes one exception to the proposed Tariff of Rates and Charges. It has come to the attention of Board staff that there is a typographical error in Veridian’s current Board approved Tariff of Rates and Charges. In Veridian’s 2012 rate application (EB-2011-0199), the Board approved a rate rider with a two year disposition period for Veridian’s Group 1 Deferral and Variance Account balances, including Account 1521 Special Purpose Charge Assessment Variance Account for both Veridian’s Main and Gravenhurst service areas. Board staff notes that the Rate Rider for Deferral/Variance Account Disposition (2012) and Rate Rider for Global Adjustment Sub-Account Disposition (2012) for all applicable rate classes in both service areas should have a sunset date of April 30, 2014 and not April 30, 2013.