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February 12, 2013

BY RESS & COURIER

Ms. Kirsten Walli, Board Secretary Ontario Energy Board 2300 Yonge Street, 26th Floor, P.O. Box 2319 TORONTO, ON M4P 1E4

Re: EB-2012-0124

Festival Hydro Inc. – 2013 IRM Electricity Distribution Rates – Revision to microFIT Generator Service Charge effective May 1, 2013

Dear Ms. Walli:

Festival Hydro filed its 2013 IRM Application with the Ontario Energy Board "(Board)" on August 24, 2012. In the Manager's Summary, Festival requested a continuation of the existing microFIT monthly service charge of \$5.25 per month. Subsequent to that date, Festival received a letter from the Board dated September 20, 2012 Re: Update to Fixed Monthly Charge for microFIT Generator Service Classification Board File # EB- 2009-0326 and EB-2010-0219. In the letter it states the following:

Therefore, the Board has determined that distributors shall reflect the updated province-wide fixed monthly charge for all electricity distributors related to the microFIT Generator Service Classification as \$5.40 per month effective with the implementation of their 2013 cost of service based or incentive regulation based applications. If a distributor has already filed a cost of service application for 2013 rates, the distributor should file a letter as part of its application confirming that it seeks to adopt the default value of \$5.40 per month. As part of that letter, the distributor should provide details of the additional revenue that would result from this revised rate. This rate would then be incorporated into the appropriate models as part of the final rate order process. For IRM applications, Board staff will update the appropriate models during the course of the respective proceedings unless a letter is received from the distributor requesting an alternative approach.

2012 IRM3 Electricity Distribution Rates – Revision to microFIT Service Charge Rate Festival Hydro Inc. ("Festival Hydro") EB-2011-0167

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In Festival's Reply Submission dated December 3, 2012, Festival did not request the updated microFIT Generator Service Classification of \$5.40. Festival is writing the Board at this time requesting that the Board approve the updated microFIT Generator Service Classification of \$5.40 as part of Festival's 2013 IRM Rate application, to be effective May 1, 2013. Festival request that the draft rate order be updated by the Board to reflect this change.

Thank you for your consideration. Should you require any further information or clarification please contact me.

Respectfully submitted,

W.G. Zehr, President

Cc: All Intervenors
Marc Abramovitz