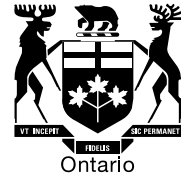


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BY E-MAIL

April 2, 2013

J. Mark Rodger
Borden Ladner Gervais LLP
Scotia Plaza
40 King Street West
Toronto ON M5H 3Y4

Dear Mr. Rodger:

**Re: Norfolk Power Distribution Inc.
Application for Rates
Application Board File Number EB-2012-0151**

This is in response to your letter dated March 28, 2013 ("the Letter") requesting that Norfolk Power Distribution Inc.'s ("Norfolk") 2013 IRM rate application be withdrawn and that existing distribution rates be declared interim on the basis of a "contemplated transaction" that will result in favourable rate impacts for Norfolk's distribution customers.

The Board has considered your request and denies it on the basis that Norfolk has not provided any evidence that "any Order implementing new distribution rates for 2013 will have a material adverse impact on Norfolk's customers in light of the pending transaction" as claimed in the Letter. Further, Norfolk speaks of a "contemplated transaction" and a "pending transaction" however has not provided any evidence of when the contemplated transaction will be completed.

Lastly, the Board notes that Norfolk requested the disposition of a credit balance of \$632,932 for Group 1 Deferral and Variance Accounts over a one year period from May 1, 2013 to April 30 2014. Rule 20.05 of the Board's Rules of Practice and Procedure provides:

"If the Board has reason to believe that a withdrawal or discontinuance may adversely affect the interests of any party or may be contrary to the public interest, the Board may hold or continue the hearing, or may issue a decision or order based upon proceedings to date."

Based on the evidentiary record, it is the Board's view that withdrawing the IRM application will result in a negative impact to consumers as there is a credit owing to them.

Yours truly,

Original signed by

John Pickernell
Assistant Board Secretary

Cc: Jody McEachran, Interim President & CEO, Norfolk Power Distribution Inc.
Al Hays, Chair, Norfolk Power Inc.
Dennis Travale, Mayor, Norfolk County
Jennifer Lea, Ontario Energy Board
Ted Antonopoulos, Ontario Energy Board
Pascale Duguay, Ontario Energy Board