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December 19, 2014

**VIA EMAIL**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
27th Floor  
2300 Yonge Street  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: EB-2012-0340 and EB-2013-0321 – Ontario Power Generation Inc.  
Incentive Regulation - Hydroelectric Total Factor Productivity Study Report**

The EB-2012-0340 Report of the Board at page 7 set out the OEB's expectation that OPG would conduct an independent productivity study. In its November 20, 2014, EB-2013-0321 Decision with Reasons at page 129, the Board directed OPG to file the independent hydroelectric study by London Economics International LLC immediately upon completion. The report has now been completed.

Attached is a report, *Empirical Analysis of Total Factor Productivity Trends in North American Hydroelectric Generation Industry* prepared in Consideration of Incentive Ratemaking for OPG's Prescribed Assets.

Best Regards,



Randy Pugh  
MBA, CPA-CMA, CPA-CGA  
Director, Regulatory Affairs

Attachment:

Report: Empirical Analysis of Total Factor Productivity Trends in North American Hydroelectric Generation Industry by London Economics International LLC