

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
27^e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416-481-1967
Télécopieur: 416-440-7656
Numéro sans frais: 1-888-632-6273



VIA EMAIL

December 5, 2017

Nik Schruder
Acting Director, Conservation Performance and Innovation
Independent Electricity System Operator
120 Adelaide Street West, Suite 1600
Toronto, ON M5H 1T1

Dear Mr. Schruder:

**Re: Approval of Hydro One's Regulated Price Plan Pilot
(Board File No. EB-2016-0201)**

I make reference to the Ontario Energy Board's (OEB) letter to the Independent Electricity System Operator (IESO) dated May 26, 2017, identifying roles and responsibilities of the OEB and the IESO in relation to the implementation and funding of pilot projects relating to the OEB's Regulated Price Plan (RPP).

I am writing to advise that the OEB has approved an RPP pilot project proposed by Hydro One. A copy of the OEB's approval is attached to this letter. In accordance with the Minister of Energy's Direction to the IESO dated December 16, 2016, the IESO will provide, through its Conservation Fund, funding for Hydro One's RPP pilot project in such amounts as determined by the OEB.

Below is information about the pilot project, including the project milestones that will trigger payments by the IESO to Hydro One from the Conservation Fund. As each project milestone other than Contract Execution is reached, the OEB will provide the IESO with confirmation of same, together with the associated payment amount. The OEB will advise you should there be a material change in the estimated maximum budget for, or the targeted date of completion of, Hydro One's RPP pilot project, together with any associated changes to the project milestones and payment schedule.

Distributor:	Hydro One		
Distributor Contact Information:	Sahar Mishriki Manager, Strategy and Conservation 483 Bay St. 6 th Floor South Tower, Toronto, ON M5G 2P5 416-345-4324 Sahar.Mishriki@HydroOne.com		
Approved RPP Pilot Project Name:	Hydro One RPP Roadmap Pilot		
Approved Estimated Maximum Budget:	\$8,819,319.53		
Project Milestones & Payment Schedule:			
Milestone Number	Reporting Milestone	Target Completion Date	Contribution Amount
	Contract Execution	15 days from date of this letter	\$1,716,104.88
1.	Interim Results Report	December 31, 2018	\$3,432,209.77
2.	Final Results Report	October 31, 2019	Remaining payment of actual project cost or true up of any overpayment

The OEB expects that Hydro One and the IESO will use all reasonable efforts to execute the necessary contract within 15 days of the date of this letter. In accordance with the above payment schedule, the IESO will settle the appropriate payment amount with Hydro One upon contract execution.

Any questions related to this letter can be directed to RPP.Pilots@oeb.ca, citing "Hydro One" in the subject line.

Sincerely,

Original signed by

Mary Anne Aldred
General Counsel & Vice President, Legal Services & Strategic Policy
Ontario Energy Board

c. Hydro One