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December 19, 2008

BY COURIER

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

Re: IRM 2008 EB Number: EB-2008-0192
Adjustment to Rural or Remote Electricity Rate Protection charged by the
Independent Electricity System Operator

Dear Ms. Walli:

Ontario Regulation 442/01, Rural or Remote Electricity Rate Protection (“RRRP”), made under the *Ontario Energy Board Act, 1998*, requires the Ontario Energy Board (the “Board”) to calculate the amount to be charged by the Independent Electricity System Operator (“IESO”) with respect to the RRRP for each kilowatt-hour of electricity that is withdrawn from the IESO-controlled grid.

On December 17, 2008, the Board issued a letter to All Licensed Electricity Distributors and Retailers announcing a change to the amount per kilowatt-hour to be charged by an electricity distributor to its customers for RRRP. Effective May 1, 2009, the RRRP charge shall be increased to 0.13 cents per kilowatt-hour from its current level of 0.10 cents per kilowatt-hour.

Kitchener-Wilmot Hydro Inc. currently has a rate application before the Board (filed November 7, 2008, RESS confirmation number 3370) for revised electricity distribution and transmission rates effective May 1, 2009 and respectfully requests that the RRRP charge in the tariff sheet attached to its application be revised to 0.13 cents per kilowatt-hour from the existing 0.10 cents per kilowatt-hour. A copy of the Board’s letter of December 17, 2008 is attached as additional evidence.

Two paper copies of this submission have been provided. Further, a copy of this letter has been submitted electronically through the Board’s RESS system. Should you require additional information, kindly contact myself at (519) 745-4771 ext. 280.

Respectfully submitted,

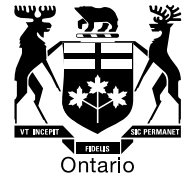
Original Signed by

J. Van Ooteghem, P.Eng.
mn
Attachment

President & CEO

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December 17, 2008

To: All Licensed Electricity Distributors and Retailers

Re: Rural or Remote Electricity Rate Protection

Ontario Regulation 442/01, Rural or Remote Electricity Rate Protection ("RRRP") (made under the *Ontario Energy Board Act, 1998*) requires the Ontario Energy Board (the "Board") to calculate the amount to be charged by the Independent Electricity System Operator ("IESO") with respect to the RRRP for each kilowatt-hour of electricity that is withdrawn from the IESO-controlled grid.

Amount to be charged by the IESO for RRRP

Based on the demand forecast provided by the IESO, the Board has determined that the amount to be charged by the IESO with respect to the RRRP shall remain at the current level of 0.1 cents per kilowatt-hour effective January 1, 2009. Effective May 1, 2009, the IESO's RRRP charge shall be 0.13 cents per kilowatt-hour.

Amount to be Charged by Distributors and Retailers for RRRP

Effective January 1, 2009, the RRRP charge shall remain at the current level of 0.1 cents per kilowatt-hour.

Effective May 1, 2009, the RRRP charge shall be 0.13 cents per kilowatt-hour.

After May 1, 2009 the RRRP charge shall remain at 0.13 cents per kilowatt-hour until such time as the Board revises it.

Distributors that currently have a rate application before the Board shall file this letter as an update to their evidence along with a request that the RRRP charge in their tariff sheet be revised to 0.13 cents per kilowatt-hour effective May 1, 2009.

Where a distributor does not have a rate application before the Board, the distributor shall make an application to the Board to alter the RRRP charge in its tariff sheet effective May 1, 2009 to 0.13 cents per kilowatt-hour.

In the collection of this amount from customers, the customer's metered energy consumption shall be adjusted by the Total Loss Factor as approved by the Board.

The Board wishes to remind all distributors and retailers that in accordance with subsection 5(6) of the Regulation:

A distributor or retailer who bills a consumer for electricity shall aggregate the amount that the consumer is required to contribute to the compensation required by subsection 79(3) of the Act with the wholesale market service rate described in the Electricity Distribution Rate Handbook issued by the Board, as it read on October 31, 2001.

Yours Truly,

Original Signed By

Kirsten Walli
Board Secretary