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Susan Frank

Vice President and Chief Regulatory Officer
Regulatory Affairs

BY COURIER

June 11, 2012

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON.
M4P 1E4

Dear Ms. Walli:

EB-2011-0118 – Hydro One Networks’ Request for Exemption from Section 6.2.6 & 6.2.7 of the Distribution System Code – Hydro One Networks’ Compliance Report

As stipulated in Ontario Energy Board’s Order #1 on December 14, 2011, Hydro One Networks Inc. is filing a compliance report for the month of May, 2012. The compliance report is attached.

As noted in the report, Hydro One overall compliance has improved in recent months. Failing to achieve full compliance by a handful of projects each month. We have indicated our intent to participate in the Board’s consultation on micro-embedded generation connection issues.

Hydro One will continue to report to the Board as per the terms of this exemption. We will await the outcome of the consultation proceeding and the relaunch of the FIT program to apprise the Board of our next steps.

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank
(attach)

Hydro One Networks DSC Exemption

EB-2011-0118

Compliance Report – May 1 to May 31, 2012

MONTHLY HIGHLIGHTS UPDATE

For the period of May 1 to May 30, Hydro One is compliant with the terms set out in the Distribution System Code; with respect to the processing of applications for Indirect Connections which do not require a site visit (Group A) and Direct Connections (Group C) as seen in Table 1 – Volume of Applications and Compliance Status.

TABLE 1 – VOLUME OF APPLICATIONS AND COMPLIANCE STATUS

Type of Connection	Total Projects	Offers to Connect		Refusals		Under Review	
		C	N/C	C	N/C	w/in time	N/C
15 days Indirect ¹	214	122	0	90	0	2	0
15 days, Indirect & site visit	170	85	4	18	0	62	1
30 days, Indirect & site visit	170	88	1	18	0	63	0
60 days, Direct ²	213	101	0	17	0	95	0

"C" indicates compliant; "N/C" indicates non-compliant

TABLE 2 – APPLICATION HANDLE TIMES (# OF DAYS)

Type of Connection	Average	Maximum	Minimum
Indirect	1	14	1
Indirect & site visit	8	37	1
Direct	23	60	1

TABLE 3 – APPLICATIONS NO LONGER BEING PROCESSED

Type of Connection	Incomplete	Withdrawn	Expired
Indirect (Group A)	66*	21	204
Indirect & site visit (Group B)		10	121
Direct (Group C)	6	9	58
Total	72	40	383

** As the applications were incomplete Hydro One was not able to determine if a site visit was required.*

TABLE 4 – CONNECTION COMPLIANCE STATUS

Total Projects	Connections Made		
	C	N/C	Mutual Deferral
259	123	3	133

TABLE 5 – VOLUME OF APPLICATIONS RECEIVED BY WEEK

Week Of	Applications Received
4/29/2012	244
5/6/2012	229
5/13/2012	209
5/20/2012	141
5/27/2012	234

¹ Indirect: Typical Parallel Metering Connection – Gang Meter Base or Direct Connection to Transformer

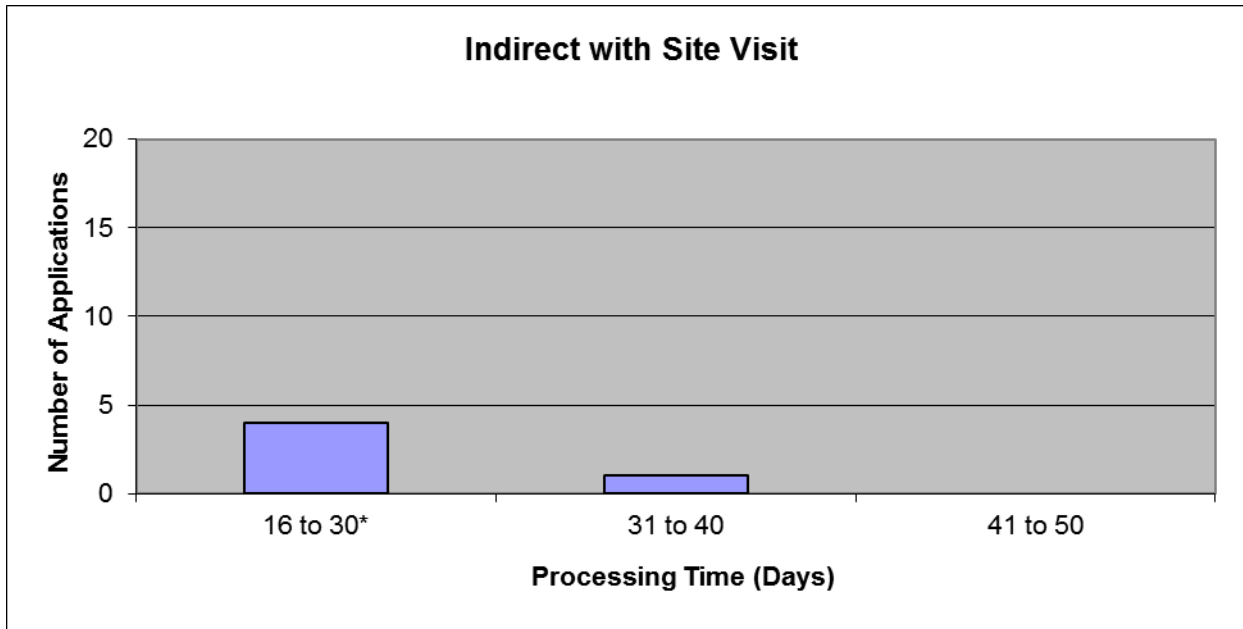
² Direct: Stand-Alone Connection

GRAPHS - DATE GROUPINGS OF APPLICATIONS PROCESSED LATE FOR THE PERIOD MAY 1ST TO MAY 31ST, 2012

Graph 1 – Indirect Connections

Hydro One was fully compliant with processing applications for indirect connections without a site visit.

Graph 2 – Indirect Connections That Require a Site Visit



* Compliant with the provisions of the Exemption

Graph 3 –Direct Connections

Hydro One was fully compliant with processing applications for direct connections.