

Wednesday, January 16, 2008

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: Rural or Remote Electricity Rate Protection
Independent Electricity System Operator Reporting Obligation**

The Government of Ontario made Ontario Regulation 383/04 regarding Rural or Remote Electricity Protection (RRRP). For the purpose of fulfilling specific obligations under subsection 5(3) and 5(4), the Independent Electricity System Operator (the "IESO") is required to, among other things, report to the Ontario Energy Board the amount collected on an annual basis from market participants in respect of the RRRP charge.

The IESO is pleased to report that the amount collected and paid to Hydro One for the period January 1, 2007 to December 31, 2007 was \$ \$149,109,995.50 on 149,111,596.81 MWh of allocated energy withdrawn (i.e., AQEW) from the IESO-controlled grid. The minor difference between the payment amount and AQEW may be explained by:

- corrections made to the market schedules (i.e., imports and exports) or
- IESO-administered prices.

Please feel free to call me at (416) 506-2858 should you have any question about this information.

Yours truly,

Original signed by

Carl Burrell
Senior Regulatory Analyst
Regulatory Affairs
Independent Electricity System Operator

cc. Brian Hewson, Ontario Energy Board
Adrian Pye, Ontario Energy Board