

BY COURIER AND ELECTRONIC MAIL

January 23, 2009

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

Independent Electricity
System Operator
655 Bay Street
Suite 410, PO Box 1
Toronto, Ontario M5G 2K4
t 416 506 2800
www.ieso.ca

Dear Ms. Walli:

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

The Government of Ontario made Ontario Regulation 442/01 (the "Regulation"), as amended, regarding Rural or Remote Electricity Protection (RRRP). For the purpose of fulfilling certain obligations under the Regulation, 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 and paid to Hydro One in respect to the RRRP charge.

The IESO is pleased to report that the total amount collected and paid to Hydro One for the calendar year 2008 was \$145,336,610 on 145,294,828 MWh of energy withdrawn from the IESO-controlled grid. The difference between the total payment and the associated energy withdrawn from the IESO-controlled grid is due to corrections made to market schedules or administered prices which resulted in a change in the market data.

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

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