

GRIMSBY POWER INCORPORATED - RATE ANNOUNCEMENT

On August 16th, 2011 Grimsby Power Inc. ("Grimsby") filed a cost of service application with its regulator the Ontario Energy Board (the "Board") seeking approval for changes to the rates that Grimsby charges for electricity distribution to be effective January 1st, 2012. The Board announced Grimsby's electricity distribution rates on February 16th, 2012. The new rates are necessary to ensure Grimsby has sufficient funds to:

- Maintain current capital investment levels in infrastructure to ensure a safe and reliable distribution system.
- Support operating expenses necessary to maintain and operate the distribution system, meet customer service expectations and ensure regulatory compliance.
- Maintain current staffing requirements.
- Provide an increased level of training, exposure to utility forums and to ensure an appropriate level of knowledge transfer to support succession planning.
- To provide a just and reasonable rate of return to the Shareholder.

More information on the rate process and Grimsby's rates can be found at www.grimbspower.com or by calling the Customer Accounts Department at 905-945-5437. The summarized rates, charges and loss factors are noted below.

TARIFF OF RATES AND CHARGES

Effective Date January 1, 2012 - Implementation Date March 1, 2012

OEB Case #EB-2011-0273

This schedule supersedes and replaces all previously approved schedules of Rates, Charges and Loss Factors

Unless specifically noted, this schedule does not contain any charges for the electricity commodity, be it under the Regulated Price Plan, a contract with a retailer or the wholesale market price, as applicable. It should also be noted that this schedule does not list any charges, assessments or credits that are required by law to be invoiced by a distributor and that are not subject to Board approval, such as the Debt Retirement Charge, the Global Adjustment, the Ontario Clean Energy Benefit and the HST.

RESIDENTIAL SERVICE CLASSIFICATION

MONTHLY RATES AND CHARGES – Delivery Component

Monthly Service Charge	\$	15.11
Rate Rider for Recovery of Smart Meter Costs – effective until December 31, 2012	\$	2.04
Rate Rider for Recovery of Stranded Meter Costs – effective until December 31, 2012	\$	3.82
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.15
Distribution Volumetric Rate	\$/kWh	0.0116
Foregone Distribution Revenue Rate Rider - effective until December 31, 2012	\$/kWh	0.0006
Low Voltage Service Rate	\$/kWh	0.0007
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0066
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0054
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until December 31, 2013	\$/kWh	0.0005
Rate Rider for Deferral/Variance Account Disposition – effective until December 31, 2012	\$/kWh	(0.0064)

GENERAL SERVICE LESS THAN 50 kW SERVICE CLASSIFICATION

MONTHLY RATES AND CHARGES – Delivery Component

Monthly Service Charge	\$	25.56
Rate Rider for Recovery of Smart Meter Costs – effective until December 31, 2012	\$	2.74
Rate Rider for Recovery of Stranded Meter Costs – effective until December 31, 2012	\$	3.82
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.34
Distribution Volumetric Rate	\$/kWh	0.0125
Foregone Distribution Revenue Rate Rider - effective until December 31, 2012	\$/kWh	0.0005
Low Voltage Service Rate	\$/kWh	0.0006
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0047
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until December 31, 2013	\$/kWh	0.0004
Rate Rider for Deferral/Variance Account Disposition – effective until December 31, 2012	\$/kWh	(0.0069)

GENERAL SERVICE 50 to 4,999 kW SERVICE CLASSIFICATION

MONTHLY RATES AND CHARGES – Delivery Component

Monthly Service Charge	\$	165.08
Rate Rider for Recovery of Stranded Meter Costs – effective until December 31, 2012	\$	3.82
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	2.73
Distribution Volumetric Rate	\$/kW	1.6936
Foregone Distribution Revenue Rate Rider - effective until December 31, 2012	\$/kW	0.0560
Low Voltage Service Rate	\$/kW	0.2555
Retail Transmission Rate – Network Service Rate	\$/kW	2.4546
Retail Transmission Rate – Network Service Rate – Interval Metered	\$/kW	2.4860
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.9125
Retail Transmission Rate – Line and Transformation Connection Service Rate- Interval Metered	\$/kW	2.0159
Rate Rider for Lost Revenue Adjustment Mechanism (LRAM) Recovery – effective until December 31, 2013	\$/kW	0.1142
Rate Rider for Deferral/Variance Account Disposition – effective until December 31, 2012	\$/kW	(2.9933)

UNMETERED SCATTERED LOAD SERVICE CLASSIFICATION

MONTHLY RATES AND CHARGES – Delivery Component

Monthly Service Charge	\$	17.62
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.04
Distribution Volumetric Rate	\$/kWh	0.0111
Foregone Distribution Revenue Rate Rider - effective until December 31, 2012	\$/kWh	0.0074
Low Voltage Service Rate	\$/kWh	0.0006
Retail Transmission Rate – Network Service Rate	\$/kWh	0.0061
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kWh	0.0047
Rate Rider for Deferral/Variance Account Disposition – effective until December 31, 2012	\$/kWh	(0.0047)

STREET LIGHTING SERVICE CLASSIFICATION**MONTHLY RATES AND CHARGES – Delivery Component**

Monthly Service Charge	\$	1.75
Rate Rider for Recovery of Late Payment Penalty Litigation Costs – effective until April 30, 2012	\$	0.01
Distribution Volumetric Rate	\$/kW	4.3469
Foregone Distribution Revenue Rate Rider - effective until December 31, 2012	\$/kW	0.2416
Low Voltage Service Rate	\$/kW	0.1975
Retail Transmission Rate – Network Service Rate	\$/kW	1.8512
Retail Transmission Rate – Line and Transformation Connection Service Rate	\$/kW	1.4785
Rate Rider for Deferral/Variance Account Disposition – effective until December 31, 2012	\$/kW	(2.7856)

ALL SERVICE CLASSIFICATIONS**MONTHLY RATES AND CHARGES – Regulatory Component**

Wholesale Market Service Rate	\$/kWh	0.0052
Rural Rate Protection Charge – effective until April 30, 2012	\$/kWh	0.0013
Rural Rate Protection Charge – effective on and after May 1, 2012	\$/kWh	0.0011
Standard Supply Service – Administrative Charge (if applicable)	\$	0.25

Specific Service Charges (remain the same for 2012)**Customer Administration**

Arrears Certificate	\$	15.00
Statement of Account	\$	15.00
Pulling Post Dated Cheques	\$	15.00
Duplicate Invoices for Previous Billing	\$	15.00
Easement Letter	\$	15.00
Account History	\$	15.00
Credit reference/credit check (plus credit agency costs)	\$	15.00
Returned Cheque Charge (plus bank charges)	\$	15.00
Charge to Certify Cheque	\$	15.00
Legal Letter Charge	\$	15.00
Account set up charge/change of occupancy charge (plus credit agency costs if applicable)	\$	30.00
Special Meter Reads	\$	30.00
Meter dispute charge plus Measurement Canada fees (if meter found correct)	\$	30.00
Interval Meter Interrogation	\$	20.00

Non-Payment of Account

Late Payment - per month	%	1.50
Late Payment - per annum	%	19.56
Collection of Account Charge – No Disconnection	\$	30.00
Collection of Account Charge – No Disconnection – After Regular Hours	\$	165.00
Disconnect/Reconnect Charges at Meter – During Regular Hours	\$	65.00
Disconnect/Reconnect Charges at Meter – After Regular Hours	\$	185.00
Disconnect/Reconnect Charges at Pole – During Regular Hours	\$	185.00
Disconnect/Reconnect Charges at Pole – After Regular Hours	\$	415.00

Service Call – Customer-owned Equipment	\$	30.00
Service Call – After Regular Hours	\$	165.00
Install/Remove Load Control Device – During Regular Hours	\$	65.00
Install/Remove Load Control Device – After Regular Hours	\$	185.00
Temporary Service Install & Remove – Overhead – No Transformer	\$	500.00
Temporary Service Install & Remove – Underground – No Transformer	\$	300.00
Temporary Service Install & Remove – Overhead – with Transformer	\$	1,000.00
Specific Charge for Access to the Power Poles – per pole/year	\$	22.35

ALLOWANCES

Transformer Allowance for Ownership - per kW of billing demand/month	\$/kW	(0.60)
Primary Metering Allowance for transformer losses – applied to measured demand and energy	%	(1.00)

LOSS FACTORS

If the distributor is not capable of prorating changed loss factors jointly with distribution rates, the revised loss factors will be implemented upon the first subsequent billing for each billing cycle.

Total Loss Factor – Secondary Metered Customer < 5,000 kW	1.0526
Total Loss Factor – Primary Metered Customer < 5,000 kW	1.0421

