KINGSTON ELECTRICITY DISTRIBUTION LIMITED

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March 20, 2007

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

Re: Kingston Electricity Distribution Limited - Licence No. ED-2003-0057

Multi-year Electricity Distribution Rate Setting Plan

Self-Nomination for Rebasing Docid Number – EB-2006-0330

Dear Ms. Walli:

In accordance with the Ontario Energy Board's March 12, 2007 report, "LDC Screening Methodology to Establish a Rebasing Schedule for Electricity LDCs", Kingston Electricity Distribution Limited ("KEDL") has a known preference at this time and is self-nominating to be rebased for 2010 and grouped into the 3rd tranche.

KEDL's justification for self-nomination to be rebased for 2010 stems from KEDL's smart metering initiative. More specifically, KEDL has been identified as an "Inactive Distributor" with no plans to initiate smart metering activities until at least 2008. Hence the costs related to these activities will not be known until cost of service application efforts for distributors in the 3rd tranche are in progress. As well KEDL's need for cost recovery of smart meter assets through rates will not come until 2010 when these assets must be in place.

Kingston Electricity Distribution Limited's expression of interest through self-nomination follows the guidelines set by the Ontario Energy Board. As President and Chief Executive Officer of Kingston Electricity Distribution Limited, I request that this self-nomination with justification submission be considered in the selection of distributors to be rebased for 2010 in the 3rd tranche.

Yours truly,

J.A. Keech, President & CEO

Kingston Electricity Distribution Limited