

Bill C.

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ONTARIO ENERGY BOARD

March 16, 2007

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

Attention: Kirsten Walli
Board Secretary

Handwritten file number EB-2006-0330 and a table with columns for File No, Sub File, Panel, Licensing, Other, and Date. Includes handwritten names: Neil M., David R., Bill C. and initials AB.

Dear Ms. Walli:

Re: Multi-year Electricity Distribution Rate Setting Plan
Board File No. EB-2006-0330

In accordance with the instructions and schedule released on March 12, 2007 Rideau St. Lawrence Distribution Inc. (RSL) wishes to self nominate for Electricity Distribution rebasing in 2008.

RSL will have a difficult time achieving the earnings identified in the 2006 EDR process, due to circumstances that have arisen since the 2006 EDR process was concluded. Specifically, RSL has four items that will affect the financial results of the company:

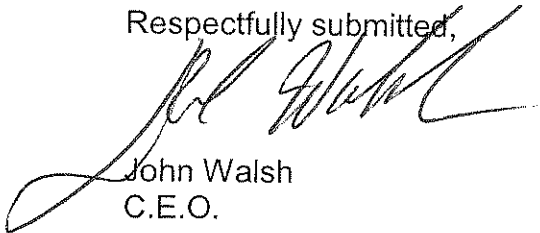
- 1. The treatment of costs that were transferred from the affiliate and were subsequently disallowed through the 2006 EDR process.
2. The loss of the distributors' largest volumetric customer. In 2006 RSL's largest customer became insolvent and subsequently ceased operations.
3. An accounting issue in respect to calculating depreciation expense.

4. The interest rate for the debt component of the capital structure that was approved in the 2006 EDR. The effect of this will further magnify as RSL moves to the newly deemed capital structure for distributors by 2010.

We estimate the loss to the EDR 2006 calculated return level to be \$100,000. RSL's targeted net income, as per the 2006 EDR process, is \$220,030. This amount is material to RSL. Three of these issues would not have been evident in past filings with the Board as they have emerged since the 2006 EDR process

In the event that Rideau St. Lawrence is not selected for review in 2008 we would respectfully request that Rideau be considered for the 2009 review.

Respectfully submitted,



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C.E.O.

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