



Gerry Hilhorst, P. Eng.
VP, Regulatory Affairs

WATERLOO NORTH HYDRO INC.

PO Box 640
300 Northfield Drive East
Waterloo ON N2J 4A3
Telephone 519-888-5550
Fax 519-886-8592

E-mail ghilhorst@wnhydro.com
www.wnhydro.com

February 15, 2007

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

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: EB-2006-0330 Selection of Electricity LDCs for Rebasing
Self-Nomination**

Further to the OEB's letter of December 19, 2006 regarding Multi-year Electricity Distribution Rate Setting Plan Selection of Electricity LDCs for Rebasing, Waterloo North Hydro Inc., (WNH) welcomes the opportunity to self-nominate itself for inclusion in the group of distributors for which rebasing will be done for the proposes of establishing the **2010 rates**.

WNH wishes to have its rates rebased in 2010 to coincide with an investment in a new Transformer Station to be owned, constructed and maintained by WNH. WNH considers this investment an exceptional circumstance which may not otherwise have been brought forward to the attention of the Board.

WNH's load forecast has indicated that a new transformer station will be required in 2010 to provide needed capacity and maintain service quality to its new and existing customers. Construction of such a transformer station occurs over approximately a twenty-four (24) month period, in which costs will be incurred. WNH wishes to maintain a viable financial footing for the utility to make capital investments to meet the capacity needs of our customers and asserts that rebasing in 2010 would best serve these interests.

WNH appreciates the consideration given to our request and asks that the Board look favourably upon this self-nomination for inclusion in the 2010 rebasing tranche.

If there are any questions, please contact myself, Gerry Hilhorst at 519-888-5550, ghilhorst@wnhydro.com or Chris Amos at 519-888-5541, camos@wnhydro.com.

Yours truly,

Original Signed by

Gerry Hilhorst, P.Eng
VP, Regulatory Affairs