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BY E-MAIL AND WEB POSTING

May 27, 2008

**To: All Licensed Electricity Distributors
All Participants in Proceeding EB-2006-0088/EB-2006-0089**

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

In 2006 the Board established a multi-year Electricity Distribution Rate Setting Plan for the years 2007 to 2010. Under that plan, all electricity distributors are to have rates set based on a cost of service rate filing (rebased) in one of 2008, 2009, or 2010. Twenty one electricity distributors filed for these cost of service rates for 2008. In January of this year, the Board notified a further list of distributors that they were to file cost of service rate applications by August for implementation in May 2009.

The Board has reviewed the 2008 rate setting processes and considered the comments of stakeholders. The Board recognizes the heavy workload that those processes imposed on applicants, the Board and intervenors alike. Accordingly, the Board has determined that applicants should be made aware of the following:

- Applications for a 2009 electricity distribution rate cost of service review will include an oral component. That component may be in the form of a technical conference or an oral hearing. The extent of the oral component of the proceeding will be determined on a case by case basis. This approach will enable the Board to address certain matters more effectively than would be possible in a proceeding conducted entirely on a written basis;
- Applications filed later than the mid-August target date will be processed in accordance with the Board's standard schedule for oral rate applications. That schedule provides that a decision should normally be made within 280 days from

date of the filing of a complete application. Accordingly, the Board can make no commitment that applications filed after mid-August will be decided by May 1, 2009.

Any of the distributors wishing to be removed from the list of distributors for rate rebasing in 2009 (Schedule A attached) are asked to file a letter to that effect with the Board Secretary by Friday, June 20, 2008. Given the interest in reducing the workload associated with electricity cost of service rate reviews, the Board would welcome such requests. If a sufficient number of distributors seek to defer their cost of service assessment this year, the Board will consider whether an extension to the current rate plan is warranted.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

Attachment: Schedule A

**Selection of Electricity Distributors for Rate Rebasng in 2009
Board File No. - EB-2006-0330**

SCHEDULE A

Distributor
Bluewater Power Distribution
Canadian Niagara Power - Eastern Ontario Power
Canadian Niagara Power - Fort Erie
Canadian Niagara Power - Port Colborne
Centre Wellington Hydro Ltd.
COLLUS Power Corporation
EnWin Utilities Ltd.
Fort Frances Power Corporation
Greater Sudbury Hydro Inc. (includes West Nipissing Energy Services
Hearst Power Distribution Company Ltd.
Hydro One Remote Communities
Innisfil Hydro Distribution Systems Limited
Lakeland Power Distribution Ltd.
London Hydro Inc.
Midland Power Utility Corporation
Niagara-on-the-Lake Hydro Inc.
Northern Ontario Wires Inc.
Orillia Power Distribution Corporation
Parry Sound Power Corporation
Peterborough Distribution Incorporated
PowerStream Inc.
Thunder Bay Hydro Electricity Distribution Inc.
Tillsonburg Hydro Inc.
Welland Hydro-Electric System Corp.
West Coast Huron Energy Inc.
West Perth Power Inc.
Westario Power Inc.
Whitby Hydro Electric Corporation