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## VIA E-MAIL AND WEB POSTING

October 29, 2007

**To: All Electricity Distributors**

**Re: Ontario Uniform Transmission Rate Order, EB-2007-0759:  
effect on Distributor Retail Transmission Rates**

On October 17, 2007, the Ontario Energy Board issued its EB-2007-0759 rate order, setting new Uniform Transmission Rates for Ontario transmitters, effective November 1, 2007 to December 31, 2008.

These new wholesale transmission rates are expected to decrease by an average of approximately 12%. As such there is a requirement to review the rates established for retail transmission service. These retail transmission rates have not been reset for several years with variances between the wholesale charges and retail revenues tracked in two accounts.

The Board directs each distributor to propose an adjustment to their retail transmission rates and disposition of the associated variance account balances in its 2008 Cost of Service or Incentive Rate Mechanism application, as applicable. The Board notes that resetting these rates should take into consideration the reduction in the wholesale transmission rates and the pattern of variance in the accounts. The objectives in resetting the rates is to minimize the prospective variance in these accounts and to ensure that the prospective variance that remains does not have a consistent pattern of increased credits or debits over time.

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Any questions relating to this issue should be directed to Board's toll-free number: 1-888-632-6273, or the Market Operations Hotline: 416-440-7604.

Yours truly,

*Original Signed By*

Kirsten Walli  
Board Secretary