Ontario Energy Board

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August 3, 2007

Mr. David Frey Vice President, Finance Guelph Hydro Electric Systems Inc 395 Southgate Drive Guelph, ON N1G 4Y1

Dear Mr. Frey:

Re: Request for Extension of Filing Deadline for Rate Rebasing Board File No.: EB-2006-0330

The Board is in receipt of your letter of July 26 requesting a delay of 2 months in the filing of your rate rebasing application for the 2008 rate year. Please be informed that the Board established the August 15<sup>th</sup> date based on an assessment of the number of applications for rebasing that are expected to be filed and the time required to process those applications. The goal was to allow sufficient time to process the applications in time for a change to distribution rates on May 1, 2008.

It is at the discretion of the applicant if they do not wish to file on the date specified. If Guelph Hydro were to file on October 15, 2007, this could lead to delays in processing the application to an extent that the effective date for new rates could be later than May 1, 2008. If that does occur, there is the possibility that the Board would have to consider the matter of rate retroactivity. As a matter of policy, the Board does not support retroactive rate setting; however, the unique circumstances of an individual case would prevail. Therefore, the matter of rate retroactivity would introduce another issue into the rate review for Guelph Hydro's rate rebasing application.

The Board encourages Guelph Hydro to file its application as close to the August 15<sup>th</sup> date as possible.

Yours truly,

Original Signed By

Peter H. O'Dell Assistant Board Secretary