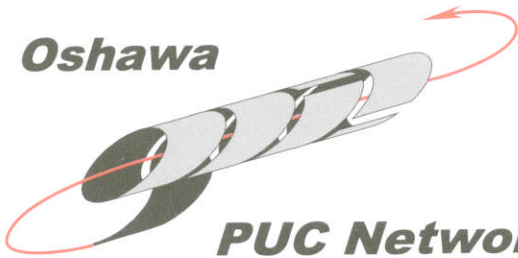


Oshawa



PUC Networks Inc.

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August 7, 2007

Mr. Allan Fogwill
Director of Applications
Ontario Energy Board
PO Box 2319, 2300 Yonge Street
Toronto, ON M4P 1E4

Dear Mr. Fogwill,

Oshawa PUC Networks Inc. has been working diligently with our consultant Elenchus Research Associates (ERA) to complete and file our 2008 rate application by August 15, 2007. However, as you were advised in your recent meeting with ERA, most of the LDCs filing for 2008 rates will not be able to complete their filings by August 15th due to challenges with the ERA model and with collecting the appropriate data needed to prepare the 2008 rate application. Unfortunately, we are one of the LDCs affected.

Since this is such an important filing for our ratepayers we wish to have the input of our Board of Directors in completing the filing. Regrettably, due to the difficulties of assembling the Directors at this time of year, we will not be able to present them with the application until September.

We are committed to filing a 2008 rate application that is not only compliant with the Board's minimum filing requirements, but also provides clear and complete evidence in support of our application. Shortcomings in our filing would create problems for Board staff as well as for us and our stakeholders.

We have carefully reviewed the status of our work to date and the timelines for completing our filing. As a result of this review, we wish to advise you that we will be able to complete our 2008 rate application by September 30. We regret any inconvenience that may result from this delay, but we are confident that it is in the interest of everyone concerned to take the extra few weeks to complete a filing that can be processed with the minimum of effort. We will continue to make every effort to complete the filing at the earliest possible date and will file in advance of September 30th, if possible.

Sincerely,

Atul Mahajan, CFO
Oshawa PUC Networks Inc.