

August 23, 2010

Kirsten Walli
Board Secretary
Ontario Energy Board,
2300 Yonge St.
Suite 2700, P.O. Box 2319
Toronto, Ontario
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Canada

Dear Ms. Walli:

**Re: Guelph Hydro Electric Systems Inc.'s 3rd Generation IRM
Application number EB -2010-0130 – request for assigning October 29,
2010 as the deadline for filing**

Background

On June 30, 2010, the Board staff issued a survey requesting that distributors identify the expected elements to be contained in their respective IRM application.

Guelph Hydro notified the Board Staff that it would include an Incremental Capital claim and a Utility-Specific Smart Meter Funding Adder and it would not apply for LRAM/SSM recovery, Revenue-to-Cost Ratio Adjustments, Rate Harmonization, Z Factor claim, and the Renewable Generation and/or Smart Grid Rate Adder.

In its letter sent on August 20, 2010 on the Process for 2011 Incentive Regulation Mechanism ("IRM") Distribution Rate Applications, the Board established a September 17, 2010 deadline for Guelph Hydro's submission.

Guelph Hydro is requesting October 29, 2010 as deadline for its 2011 IRM application based on the following grounds:

1. The complexity of the 3rd Generation IRM requires Guelph Hydro time to prepare a complete and accurate application.

2. Guelph Hydro has been working on its 2011 capital budget with mid-September as the target date for the first draft; Guelph Hydro considers that having a better forecast of its 2011 capital expenditures will confer more accuracy to the Incremental Capital claim intended to be included in 2011 IRM application.
3. Ministry of Revenue has scheduled two audits with Guelph Hydro starting August 24th on the Debt Retirement Charge, and on the Regulated Price Plan; the audits involve intensive analysis and data preparation and Guelph Hydro's accounting and regulatory resources have been allocated to fulfill the audit requirements and assist the Ministry of Revenue representatives.

Guelph Hydro believes that the Board and other stakeholders' requirement for adequate review of the application (see the Board staff letter on the survey for 2011 IRM Process assignment) should be balanced against the time required to prepare a comprehensive application.

We will do everything in our power to improve and submit before October 29th date. Given the very tight timeframe, we respectfully request your response by August 25th.

Respectfully Submitted,



Cristina Birceanu

Manager of Regulatory Affairs
Guelph Hydro Electric Systems Inc.

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