



**Lakefront
Utilities
Inc.**

207 Division St., P.O. Box 577, Cobourg, ON. K9A 4L3 • www.lusi.on.ca • Tel: (905) 372-2193 • Fax: (905) 372-2581

August 18, 2011

Ontario Energy Board
Attention: Kirsten Walli, Board Secretary
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Lakefront Utilities Inc. 2012 Cost of Service Application EB 2011- 0250

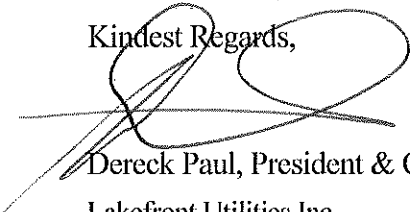
Lakefront Utilities Inc. is among the group of LDCs identified in the Boards letter of March 1, 2011 of electricity distributors whose rates were last rebased in 2008 will file their 2012 rate applications on a cost of service basis no later than August 26, 2011.

Due to unforeseen circumstances, Lakefront Utilities Inc. will be delayed in filing its 2012 Cost of Service Rate Application. Loss of key management staff, requirement to re-file PILS for 2001-2005, Meter Data Management Repository (MDM/R) training, implementation, testing and cutover, as well as the release on Friday, August 5, 2011 of a new Cost Allocation model has all contributed to the delay in the filing. Lakefront Utilities Inc. is also expecting the release of a revised Smart Meter model, which is to be filed as part of the company's 2012 Cost of Service application.

Lakefront Utilities Inc. is continuing to ensure that work on the application remains high priority. The company will make every possible effort to file the 2012 Cost of Service application before October 14th 2011.

If the Board has questions regarding this matter please contact Jennifer Carruthers at jcarruthers@lusi.on.ca or myself at dpaul@lusi.on.ca or call 905-372-2193.

Kindest Regards,



Dereck Paul, President & CEO

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