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SENT BY E-FILING AND COURIER

Toronto, February 3, 2009

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
Suite 2700  
PO Box 2319  
Toronto, ON, M4P 1E4

Dear Ms. Walli:

**RE: EB-2008-0277**  
**Lakefront Utilities Inc. ("Lakefront")**

According to Procedural Order No. 2 in this matter, an oral hearing was set for February 10, 2009 to address the following issues:

1. Increasing Lakefront's 2008 revenue requirement by \$83,333, to allow it to recover its expenses related to the re-sealing of its existing conventional meters to bring them into compliance with the Electricity and Gas Inspection Act (the "Inspection Act"), or alternatively to approve the use of a deferral account to allow for the recording of the expenses;
2. Approving the inclusion of an additional \$325,000 in capital spending in the 2008 test year on Lakefront's voltage conversion program and reflecting that expenditure in Lakefront's rates; and
3. Increasing Lakefront's 2008 revenue requirement by \$55,271 to correct an erroneous revenue requirement offset related to interest on retained earnings.

Further to my letter dated January 23, 2009 in which I requested that the February 10, 2009 oral hearing date be moved, I am writing to advise the Board that Lakefront has decided to withdraw its request to vary the Decision in regard to its meter re-sealing costs (#1 above) and interest on retained earnings (#3 above). In regard, to re-sealing costs, Lakefront expects to enter into a

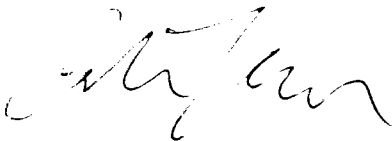
smart meter supply contract shortly, so it is unlikely that it will incur costs associated with re-sealing its conventional meters.

Lakefront maintains its motion to review the issue of capital spending (#2 above).

In light of the reduced scope of the motion, we request that the remaining issue be dealt with in writing. The cost of an oral hearing would be significant to Lakefront. As well, resolution of the remaining issue does not require oral testimony. Therefore, we respectfully submit that it would be prudent for the Board to proceed in writing.

Yours very truly,

**Ogilvy Renault LLP**

A handwritten signature in black ink, appearing to read "Andrew Taylor", written in a cursive style.

Andrew Taylor

AT/rd