Ontario Energy Board

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Commission de l'énergie de l'Ontario

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BY E-MAIL

September 13, 2007

Mr. Guy Paquette **Director of Legal Affairs** Kruger Inc. 3285 Chemin Bedford Montreal PQ H3S 1G5

Dear Mr. Paquette:

Re: Notice of Proposal under Section 81 of the Ontario Energy Board Act, 1998 Kruger Energy Inc.

Board File Number EB-2007-0691

On July 17, 2007, Kruger Energy Inc. ("KEI") filed with the Ontario Energy Board (the "Board") a notice of proposal under section 81 of the Ontario Energy Board Act, 1998. The notice of proposal relates to KEI's proposal to construct and operate a 100 MVA substation in the Municipality of Chatham-Kent.

The Board received a submission on the matter from Allus Power and a response from KFI

Based on the submissions provided by Allus Power and KEI, the Board finds that there are sufficient reasons to initiate a review KEI's notice of proposal. This letter is to inform you that the Board does intend to review the notice of proposal. The Board will provide further directions regarding the review in due course.

Yours truly,

Original signed by

Kirsten Walli **Board Secretary**

Jacques Gauthier, Kruger Energy Inc. CC: Andrew Smith, Borden Ladner Gervais LLP Joe Fontana, Allus Power

Mike Crawley, AIM PowerGen Corporation