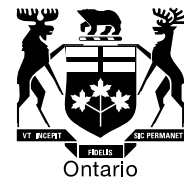


Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416-481-1967
Facsimile: 416-440-7656
Toll free: 1-888-632-6273

**Commission de l'énergie
de l'Ontario**
C.P. 2319
27^e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416-481-1967
Télécopieur: 416-440-7656
Numéro sans frais: 1-888-632-6273



BY EMAIL

October 1, 2007

Dereck C. Paul
Manager – Compliance/Finance
Lakefront Utilities Inc.
207 Division St., P.O. Box 577
Cobourg ON K9A 4L3

Dear Mr. Paul:

**Re: Request for Extension of Filing Deadline for Rate Rebasing
Board File No. EB-2007-0761**

The Board is in receipt of your letter of September 27, 2007 indicating a further delay until October 2007 in the filing of your rate rebasing application for the 2008 rate year. The Board wishes to emphasize the consequences of a late filing, which were outlined in the Board's August 13, 2007 response to your correspondence indicating that the application would not be filed on August 15, 2007.

The date that an application is filed is at the discretion of the applicant. If Lakefront Utilities Inc. files in October, there could be a delay in processing the application to an extent that the effective date for new rates could be later than May 1, 2008. If that does occur, there is the possibility that the Board would have to consider the matter of rate retroactivity. As a matter of policy, the Board does not support retroactive rate setting; however, the unique circumstances of an individual case would prevail. Therefore, the matter of rate retroactivity would introduce another issue into the rate review for Lakefront Utilities Inc.'s rate rebasing application.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary