Ontario Energy Board

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VIA E-MAIL

January 14, 2011

Mary Williams General Manager Kashechewan Power Corporation P.O. Box 229 Kashechewan, ON P0L 1S0

Dear Ms. Williams:

Re: Kashechewan Power Corporation's Application for Rates for the 2011 Rate Year Direction Regarding Filing
Board File No. EB-2010-0134

Pursuant to the Board's letter of March 5, 2009, Kashechewan Power Corporation is scheduled to file a cost of service rate application for the 2011 rate year. By letter dated June 29, 2010, all licensed electricity distributors were reminded that cost of service rate applications should be filed no later than August 27, 2010 for rates to be effective May 1, 2011. As of the date of this letter, the Board has not received your application.

The Board reminds Kashechewan Power Corporation that the 2011 rate year is intended to cover the period May 1, 2011 to April 30, 2012. Cost of service applications are assessed on a future test year basis and the Board therefore expects that these filings be made substantially before the beginning of the rate year. In addition, a rate proceeding based on a cost of service application typically lasts between seven (written hearing) and nine (oral hearing) months from the date of filing. As such, any new cost of service rates established for your utility may not be effective until well into the rate year.

Please be advised that, if the Board does not receive your cost of service application by **February 25, 2011**, any cost of service application that you file should be for the 2012 rate year.

If Kashechewan Power Corporation proceeds with a 2011 cost of service application, the Board panel reviewing the application will decide on the appropriate effective date for the rates, taking into consideration among other factors, the filing date of the application.

Yours truly,

Original Signed By

John Pickernell Assistant Board Secretary

cc: Henry Koosees
President
Kashechewan Power Corporation
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