

**Ontario Energy  
Board**  
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**Commission de l'énergie  
de l'Ontario**  
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**BY EMAIL**

January 7, 2008

Mr. Andrew Smith  
Borden Ladner Gervais LLP  
Scotia Plaza, 40 King Street West  
Toronto ON M5H 3Y4

Dear Mr Smith:

**Re: Notice of Proposal Under Section 81 of the *Ontario Energy Board Act, 1998*  
Kruger Energy Inc.  
Board File Number EB-2007-0691**

The Board has received your correspondence dated December 18, 2007. In the December 18, 2007 letter, Kruger Energy Inc. ("KEI") stated that it wanted this matter dealt with expeditiously and implied that it wanted this matter dealt with prior to late February 2008.

KEI stated that even if it filed the System Impact Assessment ("SIA") application with the Independent Electricity System Operator ("IESO") and the Customer Impact Assessment ("CIA") application with Hydro One Networks Inc. ("HONI") in January, KEI would not be in a position to provide any further technical information pertaining to the proposal in late February than it would at the time it filed the SIA and CIA. KEI also submitted that neither the IESO nor HONI are likely to have any further technical information pertaining to the proposal by late February if the SIA and CIA are filed in January.

Lastly, KEI stated that it has not yet had an opportunity to respond to the evidence submitted by the IESO, HONI, or Invenergy Canada.

The Board is of the view that there is insufficient evidence at this time to determine whether the impact of the proposal would adversely affect the development and maintenance of a competitive market. The Board is of the view that the SIA and CIA applications are relevant to this proceeding and are required to be filed before the Board holds its technical conference in this proceeding.

Once the SIA and CIA applications are filed, the Board is prepared to have the technical conference arranged as soon as practicable thereafter. The technical conference will provide all parties, including KEI, the opportunity test all of the evidence filed to date, including the evidence filed by the IESO, HONI, and Invenergy Canada.

If KEI wishes to file any additional material in advance of the technical conference, it may do so.

Yours truly,

*Originally signed by*

John Pickernell  
Assistant Board Secretary

cc: Guy Paquette, Kruger Inc.  
Joe Fontana, Allus Power Inc.  
Jim Hogan, Chatham-Kent Energy Inc.  
Dave Kenney, Chatham-Kent Hydro Inc.  
Carl Burrell, Independent Electricity System Operator  
Miriam Heinz, Ontario Power Authority  
Glen MacDonald, Hydro One Networks Inc.  
Mark Bell, Invenergy Canada