



Grimsby Power Incorporated

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April 7, 2011

Delivered by Courier and E-mail

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, Ontario
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Dear Ms. Walli:

Re: Grimsby Power Incorporated
Electricity Distribution Rate Application for 2012 Rates

On March 15th, 2011 the Board issued a notice with respect to the “Use of Modified IFRS as a Basis for Filing Cost of Service Applications for 2012 Rates”. The Board is recommending that all distributors “make all reasonable efforts to provide the forecasts for the 2012 test year in modified IFRS accounting format”.

Grimsby Power Incorporated (Grimsby Power) was intending to file its rate rebasing cost of service application by April 29th, 2011 for rates effective January 1, 2012. Grimsby Power has reviewed its options with respect to filing in CGAAP or IFRS and has concluded that filing in IFRS format would reduce future filing complexities and would be a more efficient use of Grimsby Power’s resources. The implementation of IFRS at Grimsby Power was scheduled to take place in the remaining part of 2011 following the submission of the rate application. To date only preliminary work has been completed on the transition to IFRS. It is our understanding that the transition to IFRS requires a number of corporate policy decisions and financial calculations which must be approved by Grimsby Power’s Board of Directors. The transition will take a considerable amount of work on behalf of staff and time is required to seek approvals. Grimsby Power has evaluated the time required to produce its test year financials (2012) in IFRS format and is estimating that this may take up to eight weeks to complete.

Grimsby Power is advising the Board that in order to file its cost of service application in IFRS format it will not be able to meet the filing deadline of April 29th, 2011. Grimsby Power is proposing that it will file its cost of service rate application in IFRS format no later than June 24th, 2011.

Grimsby Power regrets any inconvenience to the Board as a result of this delay.

Regards,

Doug Curtiss

Doug Curtiss, P.Eng.
Chief Executive Officer
Grimsby Power Inc.