



August 15, 2011

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
27th Floor
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: DVA Balances Review and Final Disposition Application
EB-2011-0276
Holding in Abeyance and DVA Audit**

EnWin is in receipt of the Board's letter dated August 11, 2011. EnWin acknowledges that the Board is holding the application in abeyance pending the completion of an audit undertaken by the Board's Regulatory Audit group.

On July 4, 2011, the Regulatory Audit Manager called the undersigned to advise that an audit would be taking place in respect of EnWin's deferral and variance accounts. As the Board noted, the Regulatory Audit group formally notified EnWin of the audit on July 5, 2011. EnWin participated in webcast / conference calls with the Audit Manager on July 11 and July 18, 2011. Regulatory Audit sent a draft/sample list of questions on July 14 and a full final version on July 19, 2011.

During the conference calls and subsequent discussions, EnWin confirmed that the audit was a priority for EnWin. EnWin anticipated that it would take until August 5, 2011 for all responses to be provided to the first round of questions. This 2.5 week timeframe was unavoidable due to scheduled summer vacations, competing priorities and the short notice of the audit.

Approximately one week after the list was finalized, July 27, 2011, EnWin sent the Regulatory Audit group the first batch of responses. On August 4 and August 5, 2011, EnWin submitted a total of 3 additional batches of information, thus responding to every preliminary question by the discussed deadline.

As with all proceedings and processes under the Board's authority, EnWin affirms that it takes this audit very seriously. EnWin sees the Board's audit as an opportunity to learn as an organization and build the knowledge of the Board's staff in respect of EnWin and its operations and processes. EnWin will continue to co-operate with the Regulatory Audit group in its activities under the Board's authority.

Upon receipt, any questions from the Regulatory Audit group arising from the July 27, August 4 and August 5 submissions will be handled with due regard for the importance of the process and the urgency associated with completing the audit. EnWin recognizes that the Board has made audit completion a precondition to proceeding with the above-noted proceeding. EnWin recognizes that, pursuant to the Board's Order, the proceeding must be resolved before EnWin may file its 2012 IRM rate application.

Yours very truly,

EnWin Utilities Ltd.



Per: Andrew J. Sasso
Director, Regulatory Affairs

cc: Michael Buonaguro, Counsel for VECC