

74 Commerce Crescent P.O. Box 3240 North Bay, Ontario P1B 8Y5

Tel. (705) 474-8100 Fax: (705) 495-2756 Fax: (705) 474-3138 Fax: (705) 474-8579 Fax: (705) 474-4634

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February 8, 2007

Ontario Energy Board Board Secretary's Office P.O. Box 2319 27th Floor 2300 Yonge St. Toronto, ON, M4P 1E4

Dear Ms. Walli:

RE: North Bay Hydro Distribution Limited ED 2003-0024 IRM File # EB 2007-0020 2007 EDR Smart Meter Rate

On February 1, 2007 the undersigned received correspondence from OEB staff member Mr. Martin Benum indicating that as an "active" distributor North Bay Hydro was permitted to apply for continued funding at the \$.30 per residential customer if we did not wish to pursue increased funding by completion of the model. In this regard North Bay Hydro Distribution Limited is requesting a 2007 smart meter rate adder of \$.30 per residential customer per month to be effective May 1, 2007.

North Bay Hydro also understands from the Report of the Board – Addendum for Smart Metering Rates that it is the intention of the Board to conduct a combined proceeding on smart metering costs. North Bay Hydro may be interested in participating in this proceeding and accordingly would be interested in receiving notification of the proceeding.

Kindly direct any questions regarding this request to myself or Mr. Jim Snider.

Sincerely,

Elizabeth Chirico C.A. Manager, Finance

c.c. Mr. Jim Snider, General Manager, North Bay Hydro Distribution Limited Mr. James C. Sidlofsky, Borden Ladner Gervais LLP, Applicant's Counsel Mr. Martin Benum, Advisor Applications, OEB