



**FINANCIAL SERVICES DEPARTMENT  
KITCHENER UTILITIES**

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VIA E-MAIL & COURIER

April 14, 2008

Ontario Energy Board  
Attn: Kirsten Walli  
Board Secretary  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto ON M4P 1E4

**RE: Argument - EB-2007-0606 (Tax Change Treatment under IR)**

Pursuant to the oral directions of the Presiding Member in the above noted proceedings on April 8, 2008, the City of Kitchener (“Kitchener”) is filing this letter as its written Argument.

As the Board and parties to these proceedings are aware, Kitchener retained the services of Dr. Robert Loube of Rolka Loube Saltzer Associates to provide expert evidence in these proceedings, jointly with the Consumers Council of Canada (“CCC”) and the Vulnerable Energy Consumers Coalition (“VECC”). Dr. Loube prepared written evidence as Exhibit E2.2 on behalf of these Intervenor with respect to the appropriate treatment of tax changes under Union’s incentive regulation price cap regime and he appeared before the Board Panel to give oral evidence on April 1, 2008.

Kitchener fully supports the oral submissions to be made to the Board Panel tomorrow by Mr. Warren on behalf of the CCC in regards to this issue.

I would be grateful if you could please bring this letter to the attention of the Board Panel in these proceedings.

Yours truly,

Jim Gruenbauer,  
Manager, Regulatory Affairs & Supply

cc: Parties to EB-2007-0606  
J.A. Ryder (RWBH)