

**Ontario Energy
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**Commission de l'énergie
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BY E-MAIL

March 20, 2007

Giovanna Gesuale
ENWIN Powerlines Ltd.
4545 Rhodes Drive
P.O. Box 1625, Station A
Windsor, ON N9A 5T7

Dear Ms. Gesuale:

**Re: ENWIN Powerlines Ltd.
2007 Incentive Rate Mechanism
Application Board File Number EB-2007-0522**

This will acknowledge receipt on March 12, 2007 of your electricity distribution rate application. An initial review of your application reveals that it has not been filed on the basis of the Board's December 20, 2006 "Report of the Board on the Cost of Capital and 2nd Generation Incentive Regulation for Ontario's Electricity Distributors."

The Board has assigned File Number EB-2007-0522 to this matter. Please refer to this number in all future correspondence to the Board regarding this matter.

The Board's Report stated in Appendix D "Filing Requirements for 2007 Rate Adjustments" that distributors filing applications based on alternative principles or mechanisms for setting rates would need to do so on the basis of the Board's November 14, 2006 "Filing Requirements for Transmission and Distribution Applications" in relation to electricity transmission and distribution companies' cost of service rate applications, based on a forward test year.

We note that your application does not conform to the guidelines in the Board's December 20, 2006 Report in the following respects:

- A request that the Board: “confirm that EnWin will be permitted to recover its 2007 PILs expenses and the carrying costs associated therewith, and its PILs expenses and the carrying costs associated therewith for the period prior to the next rebasing of EnWin's rates.”

The Board will not confirm recovery of such a cost in the absence of a cost of service review of the nature contemplated in the November 14, 2006 filing requirements. Due to the inclusion of this request, your application is therefore currently incomplete. It cannot be processed further until the requirements outlined in Chapter 2 of these requirements have been met. This would include, but not be limited to, provision of the following additional information:

1. A volume and revenue forecast, including any normalization methodology and other sales activities;
2. An operating cost exhibit with information summarizing the total cost of service;
3. Information on rate base, capital budgets and system expansion;

The application must also be based on the provision of a minimum of three years of data including a test, or prospective rate year, a bridge year, representing the current year and a historical year, which is the last complete year of actuals. Please consult Chapter 2 for the detailed filing requirements.

The Board will resume processing your application once the above informational requirements have been met. If the above information is not filed within 30 days of the date of this letter, the Board may close the file for this application.

Alternatively, you may wish to refile your application consistent with the guidelines in the December 20th Board report. The Board may consider an application for the establishment of a deferral account as part of such an application, but as you are aware, the tracking of costs in a Board-approved deferral account is no guarantee of recovery of the costs.

Upon receipt of the revised application the Board will issue an acknowledgement letter indicating the expected date on which a decision and/or order may be rendered.

Please direct any questions relating to this application to Martin Davies, Project Advisor at (416) 440-8107 or Martin.Davies@oeb.gov.on.ca.

Yours truly,

Original signed by

Peter H. O'Dell
Assistant Board Secretary

cc: James C. Sidlofsky (Borden Ladner Gervais)