



GRAND VALLEY ENERGY INC.

RECEIVED

Thursday, March 29, 2007

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Ontario Energy Board
PO Box 2319
2300 Yonge St
26th Floor
Toronto, Ontario
M4P 1E4

ONTARIO ENERGY BOARD

Re: 2007 Distribution Rate Application Board File No. EB-2007-0530 - Clarification

Dear Sir:

We are writing to respond to your email requesting clarification on wording we used in our 2007 Rate Application.

Your email stated, 'On Sheet 3 of your 2007 IRM Model, you have entered under Unmetered Scattered Load the references "Service Charge". A review of your current Board approved Tariff of Rates and Charges shows that this should read "Service Charge (per customer)". There is no reference in your application as to why this description was entered differently to what is on the Board approved tariff sheet. Please clarify whether this was a simple transcription error. If not, please provide a full and complete explanation of making this change.' We would like to clarify that this was a simple transcription error and it should have read Service Charge (per customer).

Your email stated, 'On Sheet 3 of your 2007 IRM Model, you have entered under Street Lighting the references "Service Charge". A review of your current Board approved Tariff of Rates and Charges shows that this should read "Service Charge (per connection)". There is no reference in your application as to why this description was entered differently to what is on the Board approved tariff sheet. Please clarify whether this was a simple transcription error. If not, please provide a full and complete explanation of the basis for making this change.' We would like to clarify that this was a simple transcription error and it should have read Service Charge (per connection).

Your email stated, 'On Sheet 3 of your 2007 IRM Model, under Allowances you have entered \$/kW as the unit of measurement for both Transformer Allowance for Ownership and Primary Metering Allowance for transformer losses instead of \$ and %, respectively. There is no reference in your application as to why the units of measurement entered are differently to what are on the Board approved tariff sheet. Please clarify whether this was a simple transcription error. If not, please provide a full and complete explanation of the basis for these changes.' We would like to clarify that this was a simple transcription error and the units measured should have been entered as %.

We hope that you find every in order but if you do require further assistance or have any questions, please contact Jan Howard at jhoward@orangevillehydro.on.ca or by phoning 519-942-8000.

Yours truly,
GRAND VALLEY ENERGY INC.

Kim MacDougald
Admin Services for Grand Valley Energy Inc.