



CENTRE WELLINGTON HYDRO LTD.
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Keith Roszell, Chair
Ron Hallman, Director
Audrey McNiven, Director
George Pinkney, Director

November 16, 2007

Ontario Energy Board
26th Floor
2300 Yonge Street
Toronto, Ontario
M4P 1E4

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ONTARIO ENERGY BOARD

EB-2007-0814

OEB BOARD SECRETARY	
File No:	Sub File 19
Panel	
Licensing	Roy H.
Other	
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ATT: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli,

EB - 2007 - 0814

ED - 2002 - 0498

**Addendum to 2008 Incentive Rate Mechanism Adjustment Application
Centre Wellington Hydro Ltd.**

In a letter from the Board on October 29, 2007, the Board directed each distributor to propose an adjustment to their retail transmission rates and disposition of the associated variance account balances in its 2008 Cost of Service or Incentive Rate Mechanism application, as applicable, to reflect the expected decreases in wholesale transmission rates.

At this time, Centre Wellington Hydro does not propose to adjust its retail transmission rates but proposes to gather actual costing data when the new wholesale transmission rates are in place and then adjust the Centre Wellington Hydro retail transmission at the time a Cost of Service rate application is prepared and submitted. In Centre Wellington Hydro's view and based on past experience, it is better to adjust retail transmission rates after actual costing data has been collected. In addition, it is also Centre Wellington Hydro's view that the disposition of deferral and variance accounts should be handled at the time a Cost of Service application is submitted since all deferral and variance accounts can be addressed as a group and not on an individual basis.

Centre Wellington Hydro is considering self-nomination to re-base its distribution rates in 2009 and fully intends to take into consideration all RSVA balances at that time.

This addendum to the application is respectfully submitted for the Board's consideration. Please advise if further action is required on our part.

Thank you,

Mr. Doug Sherwood
President/Secretary
Centre Wellington Hydro Ltd.