



October 17, 2008

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

**Re: EB-2007-0691 Notice of Proposal under Section 81**

Dear Ms. Kirstin

Chatham-Kent Hydro Inc. ("Chatham-Kent") has previously written a letter to the Wind Developers on August 21, 2007 relating to the proposal under section 81 of the Ontario Energy Board Act 1998, submitted by Kruger Energy Inc. Attached is a copy of the letter for the Board Secretary review.

If you have any more concerns or questions, please be free to contact Dave Kenney at (519)352-6300 ext 261 or email: [davekenney@ckenergy.com](mailto:davekenney@ckenergy.com).

Yours truly,

Cheryl Decaire  
Co-ordinator of Regulatory and Rates  
(519) 352-6300 ext 405  
Email: [cheryldecaire@ckenergy.com](mailto:cheryldecaire@ckenergy.com)

CC: Dave Kenney, President of Chatham-Kent Hydro  
Jim Hogan, Chief Financial and Regulatory Officer, Chatham-Kent Energy Inc.



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August 21, 2007

To: Tracy Stoddard, Suncor Energy; Austin Hughes, Wind Prospect; Michael Cookson, Kruger Energy Group; Jay Wilger, AIM PowerGen Corp.

Subject to our meeting on July 5, 2007 at the Chatham-Kent Energy offices; we have discussed the option of Chatham-Kent Hydro constructing a Transformer Station with the IESO and the Ontario Power Authority. We explained the primary purpose of this facility would be to interconnect between 230KV HV Transmission and LV facilities connected to SOC projects.

The IESO informed us that a system impact Assessment Application would be required.

The OPA were quite adamant that SOC projects must connect to existing distribution infrastructure with a "natural limit on connections" to distribution facilities. As you are likely aware this opinion is consistent with the current OPA SOC guidelines.

Due to the issues in Chatham-Kent and in other locations throughout the Province the OPA is considering revisiting this and intend to review the SOC rules in the next few months. We informed the OPA that Chatham-Kent Hydro will support a change to the SOC rules to allow for additional expansion of Distribution and Transmission facilities provided recovery of costs and return on investment mechanisms are provided by the regulator.

We will continue to update you as we receive additional information.

Yours truly,

Dave Kenney  
President, Chatham-Kent Hydro Inc.

C.c. Ray Payne  
Tomo Matesic  
Dan Charron  
Jim Hogan