

VIA E-MAIL

March 23, 2009

Ontario Energy Board  
Attn: Kirsten Walli, Board Secretary  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto ON  
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**RE: EB-2008-0411: FRPO'S Submissions in Response to PO No.1 Draft Issues List**

In response to the Board's Procedural Order issued March 16, 2009, the Federation of Rental-housing Providers of Ontario (FRPO) offers the following submissions.

In our initial review of the Draft Issues List, FRPO considered that its concerns about ownership transfer between utilities and affiliates articulated in its request for intervenor status to be considered as part of Section 2 of the Draft Issues List. However, in receiving the applicant's requested addition to the Issues List and considering the effect of the addition, FRPO believes that it is important to comment so as not to narrow the issue as proposed and to ensure that the public interest objectives of the Board are unfettered.

FRPO can understand the applicant's desire to narrow the proceeding to the discrete issue of the No Harm test. We accept that there is regulatory and legal precedent associated with the application of this test. Consistent with its original submission in requesting intervention, FRPO submits that the issue should be the broader public interest articulated in the Board's statutory objectives. These objectives would address the broader policy issue of affiliate asset transfers in the evolving mixed market and allow for consideration of issues such as:

What are the impacts of a four-year option provided to a utility affiliate on the rational expansion and development of transmission and storage in the market?  
What are the rate impacts of moving assets between affiliates depending upon their rate of return?

The Board may note that we did not include access issues, as we trust that the pending Storage and Transportation Access Rule will address any affiliate concerns relative to ownership of the proposed Dawn Gateway L.P. and the access to the integrated storage pool at Dawn.

As noted in our original request, at this point, the sale (possibly not the option) may be in the public interest at this time. Discovery and examination of the issue may result in the Board adding appropriate conditions on the transaction or criteria for future transactions to ensure the public interest is maintained. Given that the applicant has requested a four-year leave to carry

out the sale, FRPO would submit the time provided would allow the Board sufficient time for due consideration of these matters.

Respectfully Submitted on Behalf of FRPO,



Dwayne R. Quinn  
Principal  
DR QUINN & ASSOCIATES LTD.

cc: V. Brescia – FRPO  
Applicant and Intervenors in EB-2008-0411