March 23, 2009

Ms. Kirsten Walli, Board Secretary
ONTARIO ENERGY BOARD
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Dear Ms. Walli:


IGUA Request for Cost Eligibility.

We write as legal counsel to IGUA.

IGUA hereby requests that it be determined eligible for recovery of its reasonably incurred costs of participation in this consultation, in accord with directions regarding costs herein provided by the Board from time to time.

IGUA is an association of industrial companies who use natural gas in their industrial operations located in the Canadian provinces of Manitoba, Ontario and Québec. IGUA was first organized in 1973, and provides a coordinated and effective public policy and regulatory voice for those industrial firms depending on natural gas as a fuel or feedstock. IGUA has become the recognized voice representing the industrial user of natural gas before regulatory boards and governments at both the provincial and national levels.

As a party primarily representing the direct interests of industrial gas consumers (i.e. gas ratepayers) in relation to regulated services, IGUA has in the past been determined to be eligible for cost awards pursuant to section 3.03(a) of the Board’s Practice Direction on Cost Awards.
IGUA recognizes that in this consultation the Board is seeking comment related to certain narrow cost of capital issues as they pertain to the 23 electricity distributors whose rates are subject to rebasing for the rate year commencing May 1, 2009. As such, there is no direct impact of this consultation on gas distributors or their ratepayers.

IGUA's primary concern in relation to this consultation is that determinations made by the Board remain confined to those 23 electricity distributors referenced in the Board's March 16th, notice, and in the particular exigencies of the current economic climate. IGUA's participation herein will be generally confined on this basis, consonant with the maximum of 16 hours of cost eligible time provided for in the Board's notice.

IGUA submits that on this basis it continues to qualify in this proceeding for cost eligibility under section 3.03(a) of the Board's Practice Direction on Cost Awards, as it continues to represent the direct interest of ratepayers in relation to regulated services.

In addition to retainer of legal counsel for its participation herein, IGUA notes that one or more ratepayer interests are considering retaining Dr. Lawrence Booth to inform their comments on the questions asked by the Board. IGUA intends to participate in any such retainer, to inform its own understanding of the issues raised by the Board. If granted cost eligibility IGUA will allocate any funds required in support of this participation from its own cost award.

IGUA's intentions, as outlined above, for limited participation in, and activity in respect of, this proceeding are on the basis that the Board's notice reflects a narrow scope for the consultation. In particular, IGUA interprets the Board's notice to indicate that: i) the Board does not anticipate considering independent expert evidence in this proceeding; ii) the Board is focused on a limited number of "threshold" questions essentially inquiring whether there is some basis for it to intervene and relieve either the affected utilities or their ratepayers from unintended consequences, peculiar to the current economic climate, arising from the application of the Board approved cost of capital methodology applicable to these electricity distributors; and iii) the Board will not review the underlying cost of capital methodology.

Yours truly,
MACLEOD DIXON LLP

Ian A. Mondrow

c. Murray Newton, IGUA
All Licensed Electricity Distributors