

June 5, 2009

Ms Kirsten Walli Secretary Ontario Energy Board 2300 Yonge Street, 26th Floor Toronto, Ontario M4P 1E4

Re: Export Transmission Service Tariff Review

Board File No. EB-2008-0272

Dear Ms. Walli:

I am writing further to my letter to you of May 11, 2009 regarding the IESO's request to the Board for a further deadline extension for its review of export transmission service tariffs.

We recognize, as a practical matter, that the IESO cannot be expected to make a recommendation on an appropriate cost-based export transmission service tariff in accordance with the settlement agreement in EB-2006-0501. That time has passed. After discussing the matter with the IESO, we are assured that the IESO's plan will culminate in a report and recommendation in adequate time for Hydro One to comply with the Board's order in EB-2008-0272 to present a proposal within 60 days of receiving the report from the IESO and the settlement agreement in EB-2006-0501 which called for changes in 2010 rates. AMPCO therefore withdraws its request that the Board reject the IESO's request for a deadline extension.

Our discussions with the IESO, and the assurances that we take from them, do not, however, ameliorate our concerns regarding the substance and enforceability of the terms of the settlement achieved in EB-2006-0501, and the Board's Decision with Reasons in that case. While our recent correspondence with the Board concerns circumstances specific to a review of export transmission service tariffs, the issue raises a general question of the meaning of settlement agreements and the enforceability of Board orders when the fulfillment of such an order depends on undertakings by a third party: a party not represented in the settlement nor bound by an order of the Board.

Sincerely yours,

Adam White

Association of Major Power Consumers in Ontario

Association of Major Power Consumers in Ontario www.ampco.org