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BY EMAIL and REGULAR MAIL

July 30, 2009

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

Re: Tillsonburg Hydro Inc. EB-2008-0246

We are writing on behalf of our client, the School Energy Coalition (SEC), to provide SEC's comments on the draft rate order delivered by Tillsonburg Hydro Inc (THI).

We have reviewed the draft rate order as well as the detailed submissions of Mr. Aiken on behalf of Energy Probe. SEC agrees with and adopts Mr. Aiken's submissions in respect of the OM&A reductions and PILS Calculations and Disposition of Deferral and Variance Accounts.

With respect to THI's rate mitigation proposal, SEC notes, firstly, that THI's revenue requirement and load forecast have already been determined as a result of the Board's Decision in this matter. The Board in its Decision also expressed concern at having customer classes with total bill impacts exceeding 10%. Since the revenue requirement and load forecast have already been determined, the only way for THI to also ensure that all rate classes have total bill impacts less than 10% is to adjust their respective revenue to cost ratios.

Secondly, even after all of the mitigation steps proposed by THI, the total bill impact for the GS<50kW rate class is still above 10% - 10.3% for a customer with consumption of 3,256kWh/month and 10.8% for the largest customers within that rate class (those with consumption of 15,000kWh/month).

In its submissions regarding the draft rate order Energy Probe states its concern that the adjustments proposed by THI may bring some rate classes too far below 10%, thereby increasing the burden on the residential rateclass by more than what is necessary. In SEC's submission, however, if the Board agrees that the mitigation proposals in respect of other rate classes reduce their respective bill

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impacts by more than what is necessary, the excess revenue should be applied to the GS<50kW rate class. As stated above, even under the current proposal these customers are still seeing total bill impacts exceeding 10%.

All of which is respectfully submitted.

Yours very truly,
SHIBLEY RIGHTON LLP

Original signed

John De Vellis

c.c.: Mr. Steve Lund, Tillsonburg Hydro Inc. (email only)
Intervenors of Record (email only)