

16 September 2009

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

Via RESS, e-mail and mail.

Dear Ms. Walli:

**Re: EB-2009-0096 HONI Distribution Rates – GEC request for late intervenor status and comments on the proposed issues list**

**Late Intervention:**

The Green Energy Coalition (GEC) was a participant in the Hydro One consultations leading up to the current application. However, as GEC was not an intervenor in the 2009 fiscal year proceedings, it was not served with a copy of the Notice of Application in this case and it was only yesterday that the application came to our attention. Accordingly, we respectfully request late intervenor status and cost eligibility. I have alerted counsel to Hydro One and Ms. Frank and they have advised that Hydro One has no concerns with our request for late status.

GEC is aware of and will comply with the interrogatory deadlines included in the Board's procedural order. GEC accepts the record as it stands and we can identify no prejudice to HONI or inconvenience to other parties as a result of the lateness of this proposed intervention. Accordingly, we seek the Board's permission for late intervention in this case.

**GEC's Interest:**

GEC's interest in this proceeding is in regard to the Green Energy Plan aspects. GEC members have been central participants in the discussions leading up to the Green Energy and Economy Act and are concerned that progress on incorporation of renewable generation and expanded CDM be unimpeded.

**Issues List:**

We have reviewed the proposed issues list and are satisfied that it adequately covers the matters of concern to GEC with the possible exception of CDM matters.

With regard to CDM, in its pre-filed evidence (Ex. A, Tab 14, S. 2, p.3) HONI indicates that has not included additional CDM expenditures in its application as it is awaiting the setting of its CDM target. Further, HONI indicates that it expects further CDM will be funded through the Global Adjustment Mechanism but that it will update its distribution plan after the target is set. At page 26 of the exhibit HONI indicates its view that “although the Board is still mandated to approve funding for CDM programs, the costs will be recovered through part of the electricity commodity charge (Global Adjustment uplift).” HONI indicates that it expects to assemble a portfolio for the Board’s review and approval by the end of 2009. Accordingly, there is uncertainty in regard to the regulatory mechanism, funding mechanism, timing, makeup and extent of CDM spending and activities. We note that Board Staff’s draft issues list includes an issue that would invite consideration of the regulatory jurisdiction and process questions pertaining to the Green Plan including CDM. Proposed issue 9.5 reads:

What is the Board’s role with regard to the approval of the Green Energy Plan? What criteria should the Board use when determining whether to approve the Green Energy Plan? If the Board approves the plan, what are the impacts of that approval?

We suggest that the Board consider further procedural steps, including further development of the issues list pertaining to CDM after an initial consideration of issue 9.5 as it is apparent that detailed consideration of CDM at this juncture would be premature given the state of HONI’s evidence on that issue.

We note however, that HONI does not have an LRAM account and the Board may wish to consider the need for such an account as part of issue 9.5 given the large uncertainty in load impacts associated with the increased uncertainty in CDM scale (regardless of how the plan is funded).

In the circumstances GEC does not expect to lead evidence on CDM at this time but seeks to reserve the right to request such an opportunity when HONI has produced a plan and the CDM issue is scheduled for more thorough consideration by the Board.

Sincerely,

A handwritten signature in black ink, appearing to read 'David Poch', with a stylized flourish at the end.

David Poch

All parties by e-mail