Ontario Energy Board P.O. Box 2319

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BY E-MAIL ONLY

October 22, 2007

Mr. Jay Shepherd Shibley Righton LLP Barristers and Solicitors 250 University Avenue, Suite 700 Toronto ON M5H 3E5

Dear Mr. Shepherd:

Re: Hydro 2000 Inc.

2007 Electricity Distribution Rates Application Board File No. EB-2007-0704 Notice of Intervention of the School Energy Coalition ("SEC")

The Board confirms SEC as an intervenor in the above noted proceeding, subject to Hydro 2000 Inc.'s right of reply to your request within 10 days of the mailing of this letter.

The Board has determined that SEC is eligible to apply for an award of costs under its Practice Direction on Cost Awards, issued February 2003. However, as noted in Hydro 2000 Inc.'s application, regulatory costs are a significant portion of Hydro 2000 Inc.'s 2008 expenses. The Board cautions SEC that the Board will consider this fact when determining the reasonableness of costs submitted by SEC during the cost awards portion of the subject proceeding.

The Practice Direction and related forms are available on the Board's Web site at www.oeb.gov.on.ca.

Yours truly,

Original signed by

Kirsten Walli Board Secretary

C: Rene Beaulne, Hydro 2000 Inc. Patrick Moran, Ogilvy Renault