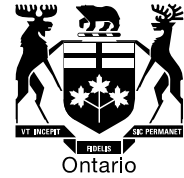


**Ontario Energy Board**  
P.O. Box 2319  
27th. Floor  
2300 Yonge Street  
Toronto ON M4P 1E4  
Telephone: 416- 481-1967  
Facsimile: 416- 440-7656  
Toll free: 1-888-632-6273

**Commission de l'énergie de l'Ontario**  
C.P. 2319  
27<sup>em</sup> étage  
2300, rue Yonge  
Toronto ON M4P 1E4  
Téléphone; 416- 481-1967  
Télécopieur: 416- 440-7656  
Numéro sans frais: 1-888-632-6273



**BY EMAIL ONLY**

June 2, 2010

To: Applicant and All Intervenors of Record

**Re: Holding an Oral Hearing on June 3, 2010 for one half day in regard to** an Application by Great Lakes Power Transmission Inc. on behalf of Great Lakes Power Transmission LP ("GLPT") seeking changes to the uniform provincial transmission rates for 2010.

School Energy Coalition ("SEC"), pursuant to the Board's Order dated May 28, 2010, requested by letter dated June 1, 2010 that an oral hearing be convened in this matter.

SEC in its letter outlined two subjects on which SEC wishes to ask questions:

1. "Whether a tax loss arising from tax deductions should be treated in the same way as a tax loss arising from an operating loss";
2. "Whether the tax situation is akin to an affiliate transaction and therefore whether a sharing of the tax benefits arising would be appropriate".

GLPT responded by letter on June 1, 2010, citing reasons for not proceeding with an Oral hearing. SEC responded to GLPT's letter, also by letter dated June 1, 2010.

The Board agrees with GLPT that the first issue, whether a tax loss arising from tax deductions is equivalent as tax loss arising from operating loss, is a policy issue and that cross-examination is not warranted. The Board is of the view that SEC can argue the issue on a policy basis. After deciding the policy issue the Board would then determine whether further factual information would be required to implement the policy decision. The Board is of the view that it would not be fruitful to examine the details of an unregulated company's individual tax situation prior to determination on a policy basis that it is warranted.

The Board has determined that it is appropriate to conduct cross-examination on a limited basis in relation to the second issue of whether the tax situation is akin to an

affiliate transaction. The Board is prepared to hear how the two entities, both limited partnerships, work together for purposes of managing taxes.

The Board therefore has decided to sit for one half day, on June 3, 2010 at 9:30 a.m. in the North Hearing Room, for cross-examination on SEC's issue 2. At the Oral Hearing, the Board will address the matter of the argument schedule.

Yours truly,

*Original Signed By*

Kirsten Walli  
Board Secretary