

BY COURIER
BY E-MAIL

June 10, 2010

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



Independent Electricity
System Operator
Station A, Box 4474
Toronto, Ontario M5W 4E5
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Dear Ms. Walli:

**Re: EB-2010-0008 -
Application by Ontario Power Generation Inc. ("OPG") for payment
amounts for prescribed generating facilities.**

Notice of Observer Status of the Independent Electricity System Operator

1. The Independent Electricity System Operator (the "IESO") seeks observer status from the Ontario Energy Board in the above referenced matter.
2. The IESO is a non-profit, non-share capital corporation independent of all other participants in the Ontario electricity industry. The role of the IESO is established by legislation, its licence issued by the Ontario Energy Board, and the *Market Rules*. The IESO directs the operation and maintains the reliability of the IESO-controlled electric power grid and operates the IESO-administered wholesale markets.
3. OPG's regulated hydroelectric facilities and nuclear facilities operate as dispatchable generators in the IESO-administered markets. The IESO also settles the global adjustment and regulated rates for the OPG prescribed assets. As such, the IESO has an interest in understanding any changes to the hydroelectric and nuclear payment amounts, including the hydroelectric incentive mechanism.
4. The IESO is not eligible for and does not intend to seek an award of costs as per the Board's Cost Award Guidelines.
5. The IESO wishes to receive copies of all materials relevant to this application. The IESO asks that copies of all filed materials be sent to the IESO as follows:

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Yours truly,

Helen Lainis

Helen Lainis

c: Ms. Barbara Reuber, OPG
Mr. Charles Keizer, Torys LLP
Mr. Carlton D. Mathias, OPG