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**APPrO**

ASSOCIATION OF  
POWER PRODUCERS  
OF ONTARIO

July 13, 2010

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

Dear Ms. Walli,

**Re: 2010 Natural Gas Market Review (EB-2010-0199)**

The Association of Power Producers of Ontario (APPrO) wishes to participate in the review and examination of recent developments in North American natural gas supply markets, and their implications for the Ontario natural gas market.

APPrO also requests that it be eligible for consultation costs incurred in its participation, as outlined in the Board's letter and Appendix of July 13, 2010.

APPrO is a non-profit association that advocates on behalf of Ontario generators in a number of settings, including regulatory proceedings before the Board. APPrO members represent more than 98% of Ontario's generating capacity and are active in every generation technology: gas, wind, cogeneration, district heat and power, nuclear, hydroelectric, coal, solar, geothermal, energy from waste and fuel cells.

Gas-fired generators are an increasing component of the Ontario electricity system, and both significant users of natural gas (current estimates are that ~90-120 Bcf/year post 2010 will be consumed in Ontario by gas-fired generators once the gas generation build-out is complete), and major customers of Ontario and Federally regulated gas utilities. Almost all of Ontario's current or contemplated natural gas fired generation capacity is owned and/or operated by APPrO member companies. They are directly affected by the availability of supply, transportation and other gas services and the rates that are charged.

APPrO believes that as the association representing these generators it can provide valuable insights into the impacts of these changing markets on electricity generation and prices, gas distribution services and rates, as well as the regulatory regime that will assist the Board in discharging its public interest obligations. Hence our interest in actively participating in the Board's assessment of how natural gas markets in Ontario and changing market conditions interact with the Ontario energy sector.

It is for similar reasons that APPrO has actively participated in the past in the Natural Gas Electricity Interface Review (EB-2006-0338), the Incentive Regulation Framework for Natural Gas Utilities (EB-2006-0209), and the Gas Natural Gas Storage Allocation Policies process (EB-2007-0724/EB-2007-0725), and the Storage and Transportation Access Rule (EB 2008-0052), among others. I am confident that APPrO's participation in those proceedings has been of assistance to the Board.

Sincerely,

A handwritten signature in black ink, appearing to read 'David Butters', enclosed within a large, loopy oval shape.

David Butters  
President & CEO