

By electronic filing and by e-mail



August 11, 2010

Kirsten Walli
Board Secretary
Ontario Energy Board
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Dear Ms. Walli,

**Implementation of Consumer Protection (Retailer/Marketer) Provisions of
the *Energy Consumer Protection Act, 2010***

Overview of Board Consultation

Board File No.: EB-2010-0245

Our File No.: 339583-000003

We are writing this letter to seek cost award eligibility in this proceeding for our client, Canadian Manufacturers & Exporters (“CME”).

We recognize that this Consultative deals with primarily with matters pertaining to the relationships between smaller consumers and gas and electricity retailers/marketers, and that amendments the Board proposes to its existing Codes of Conduct applicable to energy suppliers relate to regulations expected to be enacted pursuant to the provisions of the *Energy Consumer Protection Act, 2010* (“*ECPA*”) not yet proclaimed in force.

The *ECPA* applies to electricity consumers who use less than 150,000 kWh per year and to gas consumers who use less than 50,000 cm³ per annum. While some of the smaller CME members might fall within these consumption limits, most of them will likely have consumption levels that are higher than these amounts.

Nevertheless, many CME members deal with the same gas and electricity suppliers and/or marketers that provide services to smaller users. As a consequence, the terms and conditions that the Board establishes in its Rules and Codes of Conduct applicable to the relationships between smaller consumers and their gas and electricity suppliers will have a material influence on the terms of contracts between larger consumers and those suppliers.

In these circumstances, CME wishes to participate in this Consultative to assure that the amendments the Board adopts are compatible with practices that are applicable to the relationships between medium size and larger energy consumers and their suppliers.

Accordingly, CME seeks a determination that it is eligible for a cost award in this proceeding and in support thereof, relies upon the following additional grounds:

- (i) CME is Canada’s leading business network. Its members represent 75% of manufactured output in the Province of Ontario, and 90% of all exports.

- (ii) Manufacturing is important to the Province of Ontario. It is the single largest sector of the economy (17.5% of Gross Domestic Product (“GDP”) or \$300B) employing, directly, over 1M people in the Province.
- (iii) Electricity and natural gas are significant sources of energy for the manufacturing sector. As a result, the members of CME are vitally concerned with all matters pertaining to the supply and price of electricity and natural gas.
- (iv) CME wishes to participate in this proceeding to determine the impact on electricity consumers of the new rates and fees related to distribution generation projects that Hydro One asks the Board to approve.
- (v) About 85% of CME’s 1,400 Ontario-based member companies are Small to Medium sized business Enterprises (“SMEs”) with 500 employees or less. The views of these businesses should be considered in this proceeding.
- (vi) CME’s ability to actively participate in this proceeding is dependent upon a determination that it is eligible for a Cost Award. In many prior proceedings, the Board has determined that CME is eligible for a Cost Award.

CME Contacts

If the relief requested in this letter is granted, then CME requests that further communications with respect to this matter be sent to the following:

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Please contact the undersigned if the Board requires any further information in connection with these requests.

Yours very truly,



Peter C.P. Thompson, Q.C.

PCT\slc
c. Paul Clipsham (CME)

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