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September 7, 2010

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

Dear Ms Walli,

**Review of Electricity Distribution Cost Allocation Policy** 

Board File No.: EB-2010-0219 Our File No.: 339583-000085

We are writing in response to the Board's September 2, 2010 letter (the "Letter)" to seek participant status and cost award eligibility in this proceeding on behalf of Canadian Manufacturers & Exporters ("CME").

## Request for Participant Status

The reasons why CME should be granted participant status in this proceeding include the following:

- (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 is the primary source 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 for manufacturers located in Ontario.
- (iv) Ontario-based CME members seek an electricity system for Ontario which is one of the most cost-effective and economically sustainable systems in North America.
- (v) CME wishes to actively participate in this consultation to assure that any update and refinement to the specific elements of the Board's electricity distribution cost allocation policy listed in the Letter is compatible with the interests of Ontario manufacturers.

## Request for Cost Award Eligibility

CME seeks a determination that it is eligible for a Cost Award on the following grounds:

- (i) CME is a not-for-profit organization funded by membership fees and revenues from the services it renders to Federal and Provincial Governments and Agencies to foster the development of national and international markets for its members and to break down trade barriers.
- (ii) 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.
- (iii) 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:

Paul Clipsham
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Canadian Manufacturers & Exporters
6725 Airport Road
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Mississauga ON L4V 1V2

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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.

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c. Paul Clipsham (CME)

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