PETER C.P. THOMPSON, Q.C. T (613) 787-3528

pthompson@blg.com

Borden Ladner Gervais LLP World Exchange Plaza 100 Queen St, Suite 1100 Ottawa, ON, Canada K1P 1J9 T (613) 237-5160 F (613) 230-8842 F (613) 787-3558 (IP)

blg.com



By electronic filing

November 3, 2010

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

Dear Ms Walli,

Hydro One Networks Inc. ("Hydro One") Application for Approval of New Rates and Fees Related to Distribution Generation Projects

Board File No.: EB-2010-0228 Our File No.: 339583-000079

We are writing to provide brief submissions in this matter on behalf of our client, Canadian Manufacturers & Exporters ("CME"). We thank the Board for extending the submission deadline to allow us to file these submissions today.

We are in the fortunate position of having received and reviewed the thorough submissions made on behalf of the Vulnerable Energy Consumers Coalition ("VECC"). We support and adopt those submissions.

In particular, we agree that the Joint Use Fees for Generators should be regulated for the reasons articulated by VECC, as well as by Energy Probe Research Foundation ("Energy Probe") in its submission. We would add that, in our view, the degree of choice available to generators is inadequate to support a conclusion that the degree of competition is sufficient to protect the public interest. The charges should be regulated and remain regulated until such time as Hydro One can satisfy the factual requirements of the provisions of section 29 of the *Ontario Energy Board Act*, 1998 (the "OEB Act").

With respect to the Base Joint Use Rate, we find VECC's submissions to be compelling and urge the Board to adopt them.

We also agree with VECC that the Base Joint Use Rate for Generators should be reset at the same time Hydro One resets its Joint Use Rate for LDCs and, ideally, the Telecom Joint Use Rate should be updated at the same time.



We support VECC's suggestion that the application to poles, higher than 50 feet, of the sliding scale feature of Hydro One's proposal and the related capital contribution policy should be revisited when Rates for generators are reset along with the Rates for LDCs and telecoms.

We support the establishment of a Generator Joint Use Fees Variance Account as Hydro One proposes and Board Staff supports. We do not understand what Hydro One refers to when it uses the phrase "unforeseen costs", and, for that reason, agree with Board Staff that a Connection Impact Assessment ("CIA") Fees Variance Account should be established. If it turns out that there are few, if any, variances to record in the account (as Hydro One predicts), then the account can be discontinued.

We respectfully request that CME be awarded its reasonably incurred costs of participating in this proceeding.

Yours very truly,

Peter C.P. Thompson, Q.C.

PCT\slc

c. Hydro One

Intervenors EB-2010-0228

Paul Clipsham

OTT01\4254817\1