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BY EMAIL and RESS

September 8, 2011
Our File No. 20090180

Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, Ontario
M4P 1E4

Attn: Kirsten Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2009-0180 – Toronto Streetlighting Valuation

We are counsel for the School Energy Coalition. We have received the cost claim objection of the Applicant, filed today, and this is SEC's response.

The Applicant's allegation is that SEC did not participate responsibly in this proceeding. With respect, SEC has a long record of responsible participation in hundreds of the Board's proceedings. It is not appropriate for an Applicant to label an intervenor irresponsible just because they disagree with the Applicant, and ultimately the Applicant's application was granted. Responsible intervenors must propose to the Board alternative ways of looking at the evidence, and assessing the just and reasonable response. That is, in fact, what we do, and the reason why intervenors add value to the process.

What the Applicant appears to fail to understand is that, just as the Applicant's evidence and arguments will not always be accepted by the Board, so too the intervenors analysis, however carefully done, will not always be accepted.

A case in point – raised in the objection - is the proposed value in this case. SEC argued that a reasonable value was likely to be low, as the assets were likely to be almost fully depreciated. We noted that it was the Applicant's responsibility to provide the Board with the Discounted Historic Cost, which the Board twice told the Applicant is the right way to value the assets. The Applicant failed to do so. Our submission therefore was that, rather than reject the Application

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outright, or continue a process that had already taken up too much of the Board's time, the Board should use $1. While the Board ultimately did not accept that estimate, it was not crazy. It was a practical proposal given the Applicant's failure to meet its onus.

Conversely, the Applicant argued (in this phase) for $29 million, a much lower number than previously. While the Board accepted the Applicant's number, it did not accept the Applicant's arguments in support of that number. Does that mean that the Applicant's arguments and evidence were not helpful, and they should somehow be labelled irresponsible? Does the fact that the Applicant's proposal to use a discounted cash flow valuation, previously rejected by the Board, was evidence they acted irresponsibly in the prior phase as well?

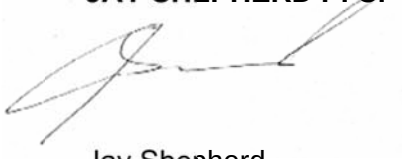
We can give a number of other examples, on both sides, but instead just ask that, if the Board has any doubt about whether SEC was legitimately trying to be of assistance to the Board, and acting responsibly, the Board can re-read our June 24th submissions and reach their own conclusions.

In our submission, parties should not throw around words like "irresponsible" lightly, and particularly so with respect to a party who have shown themselves to be consistently responsible in many Board proceedings.

We therefore ask that the Board approve the SEC cost claim as filed.

All of which is respectfully submitted.

Yours very truly,
JAY SHEPHERD P. C.



Jay Shepherd

cc: Wayne McNally, SEC (email)