

March 22, 2012

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Jennifer Lea  
Ontario Energy Board  
Suite 2701  
2300 Yonge Street  
Toronto ON M4P 1E4

Dear Ms Lea:

**Re: East-West Tie Line - EB-2011-0140**

We are counsel to the Consumers Council of Canada in this proceeding.

Because of conflicting obligations, the writer is not able to attend the All Parties Meeting tomorrow. In light of that, we will provide our comments on the Draft Issues List herein.

It would appear that the Board proposes to approve the recovery of development costs, in advance, and without a hearing. It would appear, in other words, that the Board proposes to approve the recovery of costs for the development phase of the project without a prudence review. If we are correct in that understanding, then we believe that the Issues List should include a question about the Board's authority to do that.

Depending, in part, on the answer to that question, then the second question we have is what is the appropriate procedure for determining the prudence of the development costs?

One of the issues on the Draft Issues List is whether the Board should proceed by written hearing. If the hearing is simply to consider the "decision criteria", then a written hearing may be sufficient. A hearing to consider the prudence of the development costs should be oral.

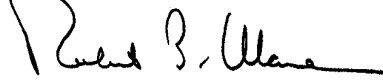
We suggest that the Draft Issues List include the following questions:

1. Does the Board have the authority to approve, in advance, and without a hearing, the recovery of costs for the development phase?
2. If the answer to that question is no, when and under what circumstances should the Board hold a hearing to assess the prudence of the development phase costs?
3. Should that hearing be oral or written?

We think it is in everyone's interest that questions as to the nature of the Board's authority in this area, and when and how it should be exercised, be resolved at the outset of the process.

Yours very truly,

**WeirFoulds LLP**

A handwritten signature in black ink, appearing to read "Robert B. Warren". The signature is written in a cursive style with a long horizontal stroke at the end.

Robert B. Warren

RBW/dh

cc: Julie Givran

cc: All Parties

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