



November 29, 2012

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
27th Floor
Toronto, ON M4P 1E4
Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: EB-2011-0099
E.L.K. Energy Inc. – 2012 Cost of Service Application
Intervenor Request**

Earlier today, E.L.K. Energy wrote the Board objecting to EnWin's participation as an intervenor in the above noted proceeding, but not objecting to the Board granting EnWin status as an observer.

Under s. 23.08 of the Board's Rules of Practice and Procedure, EnWin reiterates its request for Intervenor Status.

EnWin notes that there is ample precedent of distributors intervening in the proceedings of other distributors where they operate in a common region or where the application deals with issues that are of importance to that intervening distributor. The E.L.K. Energy Notice of Application indicates that the application, if approved, would result in a distribution line decrease of \$14.91 for an 800 kWh Residential ratepayer. On the face of the Notice, without even having regard to the substance of the application, there is every reason to expect the application to have implications that extend beyond the E.L.K. Energy service area and into the EnWin service area. EnWin mistakenly assumed that the rationale for its intervention request was obvious and would not be contested given the potentially unprecedented proposal by E.L.K. Energy. Given the objection, EnWin, through this letter, is more fulsomely articulating the rationale.

Having regard to s. 23.02 of the Board's Rules of Practice and Procedure, the substantial interest of the application to EnWin is clear, especially considering that E.L.K. Energy's service area is, among other things:

- part of the same regional community of Windsor-Essex and has borders that are less than 20km from EnWin's borders,
- part of the same offshoot of the transmission system and connects to some of the same transformer stations as EnWin,

- served by the same news media outlets and is therefore part of the same local conversations regarding the energy sector, including conservation, rates, customer service, and system performance, and
- a potential partner or competitor in MAAD activities in the evolution of the electricity distribution sector, be it as a result of the work of the Distribution Sector Review Panel or otherwise.

EnWin notes that E.L.K. Energy has not been before the Board for a thorough review of its rates since 2006 and has never filed a cost of service rate application under the more in-depth methodology adopted by the Board in 2008. This application represents the first opportunity for interested parties to ascertain the true nature of the E.L.K. Energy operations, including with respect to performance and capital investment. Accordingly, it is difficult to determine at this early stage the degree to which EnWin will participate in the testing of the evidence and making of submissions.

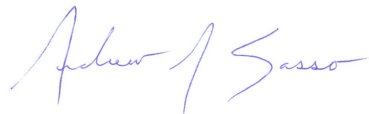
That said, the sheer magnitude of E.L.K. Energy's requested rate change is a consequential issue for questioning and argument and EnWin's good faith expectation is that EnWin will participate actively. If the application is well supported and will be positive for the region and the development of the sector, EnWin can be expected to take a position in support of E.L.K. Energy. However, that depends greatly on the substance of the application and the testing of the evidence.

EnWin has not sought observer status and submits that the appropriateness of being granted intervenor status in this proceeding is clear for the reasons set out above.

EnWin notes that it will not seek (nor would it be eligible for) cost awards. EnWin also confirms that it will not request the written evidence or other produced documents in hard copy, only by email. As such, the financial impact of EnWin's participation to E.L.K. Energy's costs in the proceeding should be minimal and limited only to responding to relevant and material interrogatories and defensible submissions.

Yours very truly,

EnWin Utilities Ltd.



Per: Andrew J. Sasso
Director, Regulatory Affairs