

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.O.15, Sch. B of the *Energy Competition Act, 1998*;

AND IN THE MATTER OF Applications by Hydro One Networks Inc. for Orders under section 78 of the *Ontario Energy Board Act, 1998* fixing just and reasonable rates effective May 01, 2007.

**NOTICE OF INTERVENTION
OF THE
SCHOOL ENERGY COALITION**

1. The School Energy Coalition applies for intervenor status in these proceedings.

General Interest of the Intervenor

2. The School Energy Coalition is a coalition established to represent the interests of all Ontario publicly-funded schools in matters relating to energy regulation, policy, and management. It is made up of all seven of the major school-related organizations, representing all of the school boards, and all levels of school management, and through them representing the approximately 5000 schools in Ontario.
3. The primary goal of the coalition's member organizations is to promote and enhance public education for the benefit of all students and citizens of Ontario. The School Energy Coalition's mission as intervenor in this matter is to be an advocate on behalf of the publicly-funded school system of the province, and therefore the interests of more than two million elementary and secondary students and more than half a million adult learners.
4. The intervenor's members have a significant interest in the activities of regulated electricity distributors and their affiliates in the province, including the applicant in this matter (the "Utility") due to the severe financial implications those activities have on school boards, their students and the people of the province of Ontario. Utility costs are one of the most significant cost pressures facing school boards. The cost of energy to the intervenor's members is currently in excess of \$370 million per annum, and has increased rapidly over the last five years. To produce balanced budgets in the face of ever increasing energy costs, school boards have repeatedly been forced to cut essential programs and services to the detriment of the students and the public of the province of Ontario.

Issues to be Addressed

5. The School Energy Coalition is intervening:

- a) to review the Utility's filed material and ensure that the guidelines set out in the "Report of the Board on Cost of Capital and 2nd Generation Incentive Regulation for Ontario's Electricity Distributors" have been met, and that the resulting rates are just and reasonable;
- b) to review the Utility's current and previous year audited annual financial statements, auditor's reports, management's reports, management discussion and analysis, notes to financial statements, and regulatory statements;
- c) to review the Utility's other filed material in support of its request for the creation of a variance account to track permit fees assessed by the municipalities;
- c) to review the terms, components, and applicability of any adjustment formulae proposed;
- d) to review, assess, and provide input into the fair establishment of the Utility's overall rates for its 2007 fiscal year;
- e) to review the potential impact of the Utility's application on school boards and their staff and students; and
- f) generally to represent the interests of the school boards and their students in this proceeding in all major aspects of the application.

6. The foregoing summary is intended to be illustrative but not exhaustive. The School Energy Coalition will review the Utility's evidence as received, and will advise parties of any further areas of interest/concern prior to the alternative dispute resolution conference (if any), or if applicable, thereafter. It is possible that, as a result of the review of the evidence, or as a result of the mode by which the Board determines that relevant issues will be considered, the School Energy Coalition may determine that it should participate actively in some of the Utilities' applications only, but not in others.

The Intervenor's Intended Participation

7. The School Energy Coalition intends to participate actively in the evidence review, as well as any interrogatory, issues scoping and settlement discussion phases of this proceeding in respect of the issues of concern to its members, as partially identified above. The School Energy Coalition's participation in the balance of the proceeding will be dependent on the outcome of the pre-hearing phases. The School Energy Coalition may thereafter continue to be active in this case, undertaking cross-examination focused on areas of concern to its members, leading evidence if appropriate on those areas, and filing argument thereon.

Counsel/Representative

8. The School Energy Coalition requests that a copy of all documents filed with the Board by each party to these proceedings be served on the Applicant, and on the Applicant's counsel and case manager as follows:

(a) School Energy Coalition:

ONTARIO EDUCATION SERVICES CORPORATION
c/o Ontario Public School Boards' Association
439 University Avenue, 18th Floor
Toronto, ON
M5G 1Y8

Attn: Bob Williams, Co-Ordinator
Phone: 416 340-2540
Fax: 416 340-7571
Email: bwilliams@opsba.org

(b) School Energy Coalition's counsel:

SHIBLEY RIGHTON LLP
Barristers and Solicitors
250 University Avenue, Suite 700
Toronto, Ontario, M5H 3E5

Attn: Jay Shepherd
Phone: 416 214-5224
Fax: 416 214-5424
Email: jay.shepherd@shibleyrighton.com

(c) School Energy Coalition's case manager/consultant

INSTITUTIONAL ENERGY ANALYSIS, INC.
250 University Avenue, Suite 700
Toronto, Ontario, M5H 3E5

Attn: Rachel Chen
Phone: 416 214-5298
Fax: 416 214-5498
Email: rachel.chen@ieai.ca

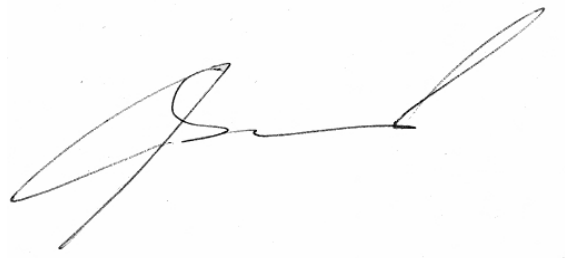
Costs

9. The School Energy Coalition intends to apply for recovery of its costs reasonably incurred in the course of its intervention in these proceedings.

Respectfully submitted on behalf of the School Energy Coalition this 6th day of March, 2007.

SHIBLEY RIGHTON LLP

Per:

A handwritten signature in black ink, appearing to read 'Jay Shepherd', is written over a horizontal line.

Jay Shepherd