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Vice President and Chief Regulatory Officer
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BY COURIER

May 30, 2008

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON.
M4P 1E4

Dear Ms. Walli:

EB-2007-0691 – Kruger Energy Inc. Application under Section 81 regarding construction and operation of a 100 MVA substation in the Municipality of Chatham-Kent – Hydro One Networks Questions for the Technical Conference

In accordance with Procedural Order 4, I am submitting the following questions which Hydro One Networks plans to ask at the Technical Conference.

1. Is it KEI's view that, as an unlicensed transmitter, KEI would still be subject to all the same technical and regulatory obligations as a licensed transmitter under the Transmission System Code? If not, from which of those obligations does KEI believe it is exempt, and why?
2. KEI states in its reply to Board Staff Interrogatory #5 (November 19, 2007) that it would be exempt from the requirement to obtain a transmission licence under section 4.0.2 of the Ontario Energy Board Act, 1998 O. Reg. 61/99. How will KEI ensure and demonstrate that it would charge a price that is "no greater than that required to recover all reasonable costs," as required by section 4.0.2?
3. KEI has stated that other projects unrelated to KEI may be allowed to access the proposed substation, provided the proponents contribute to the construction and operational costs. How does KEI propose to calculate and assign such costs to ensure the development and maintenance of a competitive market?

4. In KEI's reply to Board Staff Interrogatory #3, KEI states that it is "in the process of negotiating a Memorandum of Understanding ("MOU") with AIM PowerGen ("AIM")." Through what process did AIM become aware of the availability of transformation capacity at KEI's proposed substation and of the process by which it could apply for assignment of such capacity?

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank

- c. Mr. Guy Paquette, Kruger Inc.
Mr. Andrew Smith, Borden Ladner Gervais LLP
EB-2007-0691 Intervenors (by email)