



McCarthy Tétrault LLP
Box 48, Suite 5300
Toronto Dominion Bank Tower
Toronto ON M5K 1E6
Canada
Tel: 416-362-1812
Fax: 416-868-0673

George Vegh
Direct Line: 416 601-7709
Direct Fax: 416 868-0673
Email: gvogh@mccarthy.ca

September 23, 2016

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

**Attention: Ms Kirsten Walli
Board Secretary**

Dear Ms. Walli:

**Re: EB-2015-0275 – IESO 2016 Expenditure and Revenue Requirement
Application
OEB letter of September 21, 2016**

This letter is in response to the OEB's letter of September 21, 2016 which requests clarification on HQ Energy Marketing Inc. ("**HQEM**") and the Association of Power Producers of Ontario ("**APPrO**")'s position on the manner of hearing in the above-noted proceeding.

HQEM and APPrO do not object to the IESO's request for a written hearing in this proceeding.

HQEM and APPrO's statements in their September 9, 2016 letter (as cited by the OEB in its letter requesting clarification) were intended to indicate that HQEM's and APPrO's position is that the IESO's evidence does not substantiate its proposal on the usage fee. The IESO (and supporting Intervenor(s)) will no doubt take a different position and, at least to that extent, there will be a disagreement based on the facts of the proceeding. However, HQEM and APPrO's submissions in this regard can be made using the existing record which, in HQEM's and APPrO's view, is sufficient to support their position. As a result, they do not view the record as incomplete.

Please do not hesitate to contact the undersigned if you have any questions in relation to the foregoing.

Sincerely,

Signed in the original

George Vegh