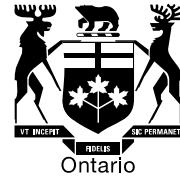


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BY E-MAIL ONLY

October 1, 2008

James Huntingdon
Niagara-on-the-Lake Hydro Inc.
8 Henegan Road, P.O. Box 460
Virgil ON L0S 1T0

Dear Mr. Huntingdon:

**Re: VECC Request for Intervenor Status
Niagara-on-the-Lake Hydro Inc.
Application for Approval of 2009 Electricity Distribution Rates
Board File No. EB-2008-0237**

On September 24, 2008, the Board received a letter from Niagara-on-the-Lake Hydro Inc. (NOTL) in which NOTL objected to the Board granting intervenor status to the Vulnerable Energy Consumers Coalition (VECC).

NOTL questioned whether the two organizations represented by VECC, the Federation of Metro Tenants Association and the Ontario Coalition of Senior Citizens' Organizations (OSCO) were actually represented within the Town of Niagara-on-the-Lake. OTL also questioned the value added by VECC in this application and the cost of VECC's intervention.

The Board has considered NOTL's submission and confirms VECC as an intervenor in this proceeding, as well as its cost eligibility status. In making this decision, the Board notes that VECC represents seniors across Ontario including seniors in the Town of Niagara-on-the-Lake. In addition, the Board feels that it would be helpful to the rate setting process to have a ratepayer group such as VECC as a participant.

The Board recognizes that the costs of an intervention can be relatively significant for a smaller utility such as NOTL. The Board notes that the cost awards and therefore cost

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claims should recognize the financial ability of distributors to pay those costs. The Board will take these concerns into account when granting any cost award to VECC at the completion of this proceeding.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

cc: Michael Buonaguro, Public Interest Advocacy Centre
Bill Harper, Econalysis Consulting Services