

By E-mail & By Electronic Filing

October 24, 2008

Borden Ladner Gervais LLP Lawyers • Patent & Trade-mark Agents World Exchange Plaza 100 Queen Street, Suite 1100 Ottawa ON K1P 1J9 tel.: (613) 237-5160 fax: (613) 230-8842 www.blgcanada.com

PETER C.P. THOMPSON, Q.C. direct tel.: (613) 787-3528 e-mail: pthompson@blgcanada.com

Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street 27th floor Toronto ON M4P 1E4

Dear Ms Walli,

Guidelines for the Pre-Approval of Long-Term Gas Supply and/or Upstream Transportation Contracts ("LTC Guidelines")

Board File No.: EB-2008-0280 Our File No.: 339583-000021

This will serve as CME's Response to Board Staff's email of October 20, 2008 regarding the Consultative for Guidelines for the Pre-Approval of Long-Term Gas Supply and/or Upstream Transportation Contracts ("LTC Guidelines").

On October 16, 2008, CME participated in the Stakeholders' Meeting for Consumer Groups (the "Meeting") but, due to technical difficulties, the Meeting was unable to hear CME counsel, Nadia Effendi. As a result, Board Staff's e-mail provided CME with the opportunity to provide its comments in writing.

At the moment, CME does not know whether any Stakeholders are asking the Board to establish LTC Guidelines and, if so, the rationale for such requests. In these circumstances, CME finds itself in agreement with the views expressed during the Meeting by other ratepayer representatives such as VECC and CCC. These views were to the effect that we need to know what the utilities and other major stakeholders are suggesting, including the rationale for their suggestions for changing the status quo with respect to long term contracting. Only then can we submit considered comments on whether the long term contracting status quo should remain unaltered or whether some changes are necessary.

We understand that Board Staff is currently considering how best to respond to these concerns and that one option being considered is the scheduling of a meeting at which all stakeholders can participate. Another is that staff will summarize and circulate a description of the positions taken by the utilities and other major stakeholders during the course of the five (5) Stakeholder Meetings held during the week of October 13, 2008.

We will be able to provide CME's comments when we know what changes others are advocating and the rationale for the proposed changes.

Please contact Nadia Effendi if you require any further information in connection with the contents of this letter.

Yours very truly,

Peter C.P. Thompson, Q.C.

PCT/NE/kt/slc

c. Alexandre Ruest (OEB) Paul Clipsham (CME)

Vince DeRose and Nadia Effendi (BLG)

OTT01\3576132\1