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November 25, 2008

**VIA E-MAIL AND COURIER**

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

Dear Ms. Walli:

**Re: Horizon Utilities Corporation – Cost Claim Submissions**
**2008 Electricity Distribution Rate Application (EB-2007-0697)**

With respect to Horizon's letter dated November 24, 2008 concerning intervenor cost claims, and specific to the submissions questioning SEC's role as a "lead intervenor", VECC feels compelled to assist the Board by providing the following information.

1. SEC took on a lead role, with the support of VECC, in exploring the specific facts and issues surrounding the cost of debt issue, which, it turned out, became a very complicated aspect of the application.

2. During the course of the application process SEC took on the lead role, with the support of VECC, of engaging in process related issues including seeking and ultimately obtaining Board orders allowing for a settlement conference and an oral hearing.

3. SEC took the lead role in the preparation for and conduct of the oral hearing, a role that was explicitly acknowledged by VECC well in advance of the hearing (see VECC's letter dated April 2, 2008).

As an intervenor, VECC does not comment (nor does the Board request from non-applicants submissions) on the reasonableness of the cost claims of others intervenors. However in this case submissions have been made by the applicant specific to the relationship between VECC and another intervenor insofar as that relationship may drive or explain a disparity in costs claimed.

VECC respectfully submits that SEC's responsibilities in this application process, with respect to these three areas in particular, would justify additional time expended on behalf of SEC relative to VECC and others, such that it would expect that SEC's total claim would be the highest amongst the active intervenors.

Yours truly,

Michael Buonaguro
Counsel for VECC