

Direct Dial: (416) 216-2342 Direct Fax: (416) 216-3930 ckeizer@ogilvyrenault.com

Toronto, January 8, 2009

Kirsten Walli Board Secretary Ontario Energy Board P.O. Box 2319 2300 Yonge Street, 27th Floor Toronto, ON M4P 1E4

Attention: Board Secretary

Dear Ms. Walli:

RE: Great Lakes Power Limited (GLPL)

Transmission Licence Application (EB-2008-0342) Distribution Licence Application (EB-2008-0343)

GLPL Response to Submissions of the Algoma Coalition

The applicant, GLPL, has applied to the Board for renewal of its electricity transmission licence (EB-2008-0342) and its electricity distribution licence (EB-2008-0343). These licences expired December 31, 2008 and were granted interim extensions until the earlier of March 31, 2009 or such time as the Board disposes of the applications.

In its submission dated December 29, 2008, the Algoma Coalition proposes that each of GLPL's transmission and distribution licences be granted or renewed with the added condition that for both the transmission and distribution licences GLPL be required "to conduct annual stakeholder meetings with major customers and with the Algoma Coalition."

GLPL is not aware of any other electricity transmission or distribution licences in Ontario that include conditions similar to those being proposed by the Algoma Coalition. The imposition of a condition in addition to the obligations typically set out within distribution and transmission licences issued to other distributors and transmitters should only arise in circumstances that merit additional obligations, such as unique aspects of the transmitter or distributor in question or a potential deficiency in the behaviour of the transmitter or distributor. The Algoma Coalition has not demonstrated that there have been any deficiencies in GLPL's communications with its transmission or distribution stakeholders that would warrant such a condition, nor has the

Barristers & Solicitors, Patent Agents & Trade-mark Agents Suite 3800 Royal Bank Plaza, South Tower 200 Bay Street P.O. Box 84 Toronto, Ontario M5 224 Telephone (416) 216-4000 Fax (416) 216-3930 ogilyvrenault.com

Canada





Algoma Coalition demonstrated any other reason for such a condition to be included within the licences.

GLPL has a good process of communication in place with various distribution and transmission stakeholders, both on a formal and informal basis. Many of these discussions have occurred voluntarily by GLPL outside of the requirements of the settlement agreement provisions alluded to by the Algoma Coalition. The company meets with a majority of the communities and major customers served by its Distribution system annually to discuss among other things, its capital and maintenance plans. There has been nothing in the behaviour of GLPL (nor has any fact been put before the Board in this proceeding or any other proceeding) that merits additional obligations in its renewed transmission or distribution licences beyond those conditions normally applicable to other transmitters or distributors.

The sole basis for the Algoma Coalition's proposal appears to be the fact that the most recent GLPL transmission rate application resulted in a settlement agreement in which GLPL had agreed to hold stakeholder meetings for its transmission business. GLPL has fulfilled its commitments under that agreement and as noted there is no basis to entrench such obligations in its licences. In GLPL's view, the fact that a similar matter was agreed to in the settlement of issues in a past transmission rate proceeding does not provide sufficient justification for the Algoma Coalition's proposal to now entrench a process of annual stakeholder meetings within the licences that govern the operation of GLPL's transmission and distribution systems.

Accordingly, GLPL submits that the Algoma Coalition's request for added conditions should be rejected by the Board and the licences should be issued in the normal course.

Yours very truly,

Ogilvy Renault LLP

Charles Keizer

CK/sb

c.c. Tim Lavoie, Great Lakes Power Limited Paul A. Cassan, Algoma Coalition Mark Bell, Windstream Energy Inc.