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Please Reply to the TORONTO OFFICE

BY EMAIL and COURIER

December 4, 2006 Our File No. 2060842

Ontario Energy Board 2300 Yonge Street 26th Floor Toronto, Ontario M4P 1E4

Attn: Duncan Skinner

Dear Mr. Skinner:

Re: Comparison of Electricity Distributor Costs EB-2006-0268

We are counsel for the School Energy Coalition. We have reviewed the Board's letter dated November 24, 2006 relating to the above matter, and write to advise that we are not in a position to provide meaningful comments to the Board.

The Board's letter raises important issues, and as you know the School Energy Coalition has been consistent (perhaps persistent is a better word) in expressing the view that comparisons between LDCs are an essential and urgent part of the regulation of electricity distribution in Ontario. Schools would very much like to participate in a meaningful way in the consultation on the formulation and use of those comparisons.

However, two aspects of this particular consultation make that participation impossible at this time. Each by itself prevents us from being of any assistance to the Board.

First, the Board is not providing cost awards for this step in the consultation. That means that we are not in a position to engage any substantial or expert resources to respond to the Board's extensive list of questions. Rather than do a slapdash job, we must decline for this reason alone.

Second, the Board has established a two week timeframe for comments on a detailed list of issues, and in an area in which the Board has taken more than two years formulating its initial views. Again, any commentary from us could only be superficial, and therefore would not be worth





investing the time to do it. We do not want to participate if our participation cannot be of value to the Board.

We wish to express our concern that, because of the short timeframe and the lack of cost awards, the only input the Board will get may be from distributors. The distributors, spending ratepayer money of course, will provide the Board with a one-sided view of the many important issues in this area, while the Board's process decisions will effectively prevent interested ratepayer groups from participating. We do not think this is appropriate.

In the event that the Board determines that costs are available, and a reasonable time for submissions will be provided, the School Energy Coalition would like to participate in this consultation process.

Yours very truly, **SHIBLEY RIGHTON LLP**

Jay Shepherd

Cc: Interested parties (by email)