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October 4, 2012

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

Dear Ms Walli,

Consultation regarding Incentive Rate Making Options for Ontario Power Generation's ("OPG") Prescribed Generation Assets

Board File No.: EB-2012-0340

Our File No.: 339583-000144

I am writing on behalf of our client, Canadian Manufacturers & Exporters ("CME").

CME has participated in the consultation initiated by the Board on July 31, 2012 regarding Incentive Rate Making Options for OPG's Prescribed Generation Assets. To this end, CME has reviewed the report prepared by Power Advisory LLC entitled "Incentive Rate Making Options for Ontario Power Generation's Prescribed Generation Assets", and also participated in the August 28, 2012 meeting for Stakeholders and Interested Parties at which presentations from Power Advisory LLC, London Economics International LLC and OPG were made.

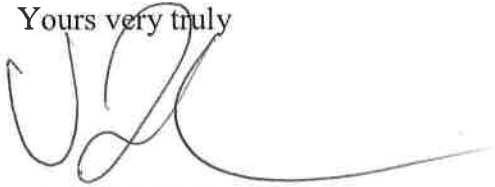
CME has also had the benefit of reviewing the submissions of various other parties, including the Consumers Council of Canada, London Property Management Association, and School Energy Coalition. These additional submissions have assisted CME with its ongoing assessment of the matters at issue in this proceeding.

CME notes that the presentations from the parties on August 28, 2012, as well as the observations and suggestions of other Intervenor filed this week, have identified a broad range of alternatives. At this time, CME has not finalized its position on the extent to which IRM is appropriate for OPG, and if so, the best form of IRM for OPG's hydroelectric and nuclear assets. CME seeks to gain a better understanding of the pros and cons of each of the alternatives or options proposed. In this regard, CME looks forward to the opportunity to continue to participate in this consultation.

Once CME has a clearer appreciation of the likely outcomes of each of the alternatives being proposed, including the likely impact which each alternative will have on the cost of electricity in the Province of Ontario, CME will then determine which option is likely to best serve the interests of manufacturers.

CME wishes to thank the Board for the opportunity to continue to participate in this process.

Yours very truly

A handwritten signature in black ink, appearing to read 'VJD', with a long horizontal flourish extending to the right.

Vincent J. DeRose
VJD/kt

c. Paul Clipsham
Interested Parties

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