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VIA E-MAIL AND WEB POSTING

July 7, 2006

**To: All Participants in EB-2006-0064
All Other Interested Parties**

Re: Setting Payments for Output from OPG's Prescribed Generation Assets

On March 21, 2006, the Board issued a letter to interested parties describing the process it intends to use to establish a methodology for setting payments for the output from Ontario Power Generation, Inc.'s prescribed generation assets.

On July 6, 2006, the Board posted on its web site a Staff Discussion Paper that proposed various regulatory models. This paper also presented some of the issues that the Board may consider in its choice of regulatory methodology and the pros and cons of the various models. Board staff considered input from interested parties and others in producing the final version of the Discussion Paper. The final version of the Discussion Paper also includes a staff recommendation of regulatory methodology for the Board to adopt in this proceeding.

Written Comment on Staff's Draft Paper

Parties wishing to provide written comments on the staff Discussion Paper must file three (3) paper copies of the comments and an electronic version of the comments in searchable Adobe Acrobat (PDF) and Word with the Board Secretary by **4:30 pm on July 24, 2006**. Electronic copies may be submitted on diskette or by e-mail to boardsec@oeb.gov.on.ca.

Replies from parties to submissions must file three (3) paper copies and an electronic version of the replies in searchable Adobe Acrobat (PDF) and Word with the Board Secretary by **4:30 pm on August 4, 2006**. Electronic copies may be submitted on diskette or by e-mail to boardsec@oeb.gov.on.ca.

Your submission must quote file numbers EB-2006-0064 and include your name, postal address and telephone number and, if available, e-mail address and fax number.

This letter, Board Staff's Discussion Paper, and all written comments submitted in response to the Discussion Paper will be available for public inspection on the Board's website at www.oeb.gov.on.ca and at the Board's office during normal business hours.

Any questions relating to this consultation should be directed to Russell Chute at 416-440-7682 or e-mail: Russell.Chute@oeb.gov.on.ca. The Board's toll-free number is 1-888-632-6273.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary