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June 19, 2009

**DELIVERED BY E-MAIL**

Ms. Kirsten Walli  
Secretary  
Ontario Energy Board  
Suite 2700, 2300 Yonge Street  
P.O. Box 2319  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: EB-2008-0272-Hydro One Networks' 2009-2010 Electricity Transmission Revenue Requirements - Board Directives**

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I am writing in response to the letter of Susan Frank of Hydro One Networks ("Hydro One") of June 11, 2009 in response to the decision of the Ontario Energy Board (the "Board") of May 28, 2009 in the above-noted matter. In particular, I want to respond to the position she puts forward concerning Charge Determinants.

During the hearing, AMPCO proposed an alternate scheme of Charge Determinants to the existing system in Ontario. We called it the "High 5 Proposal". In the decision, the Board found that, "AMPCO's proposal has merit." To implement the proposal, however, and to address certain uncertainties such as, "the magnitude of the shift [off system peak], the benefits of the shift, and the resulting impact on other customers" the Board directed Hydro One to take the steps described in Susan Frank's letter **at its next application**.

It appears, in Ms. Frank's letter, that Hydro One proposes not to comply with the Order of the Board or to be as generous as I can be, develop its own timetable to implement the provisions of that Order.

It is not my understanding that a party in receipt of an order of the Board can determine whether or not to implement the directions contained in that order as it sees fit.

We believe Hydro One should be required to follow the Board's Order as part of its next application. If it feels it cannot do so, Hydro One should be required to appear before the Board to explain why, with an opportunity given to those who intervened at the above-noted hearing,

particularly AMPCO, to respond. If it is the position of the Board, after considering the submissions of Hydro One and the intervenors who wish to participate that some or all of the directions in the Order, noted above, cannot be complied with within the time frame set out in that order, a fixed and reasonable alternative timetable within which Hydro One can comply should be established by the Board, not Hydro One. If the Board is not satisfied that the concerns of Hydro One are justified, it can reiterate Hydro One's obligation to satisfy the terms of the Order in its next application.

AMPCO believes that the elements of the High 5 Proposal are important for its members and electricity consumers in Ontario. The sooner that the uncertainties described in the decision of the Board can be addressed by Hydro One and the High 5 Proposal adopted in Ontario the better. Hydro One should not be able, unilaterally, to delay that end result.

In summary, therefore, AMPCO submits that only the Board, in the matter described above, should determine whether or not its directions should be followed.

If you have any questions, please do not hesitate to contact me.

Yours truly,

**DAVIS LLP**

Per:



David Crocker

DDC/szp

cc: Susan Frank (Hydro One)  
EB-2008-0272 Intervenors

Adam White  
Wayne Clark  
Darren MacDonald  
Shelley Grice