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BY COURIER

October 9, 2009

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

Dear Ms. Walli

EB-2008-0272 – Hydro One Networks 2009 and 2010 Electricity Transmission Revenue Requirements – Response to October 8, 2009 CME Letter to the Board

This is further to Mr. Thompson's letter of October 8, 2009 on behalf of Canadian Manufacturer's & Exporters ("CME").

In its decision of May 28, 2009 in the initial application, the Board did not approve four capital projects, D7, D8, D9 and D10. The Board kept the hearing open with respect to those four projects and afforded Hydro One Networks Inc. ("Hydro One") the opportunity to file further evidence in support of those projects. Hydro One filed that evidence on September 4, 2009 in accordance with the Board's Procedural Order No. 6 in relation to two of those projects, D7 and D8, indicating that D9 and D10 had been deferred to 2011.

Hydro One received a number of interrogatories from Board Staff and various intervenors. All interrogatories posed, aside from those by CME, focused on the supplemental evidence filed in support of those projects. The questions posed by CME did not focus on the need or justification of the projects. The interrogatories appear to be directed at matters which in Hydro One's view had already been dealt with by the Board in its initial decision, and in particular, Hydro One's ability to achieve its planned capital work program.

Hydro One is of the view that the interrogatories posed by CME are beyond the scope of the supplementary evidence filed and beyond the scope of the portion of the proceeding that remains open. Hydro One's response to CME dealt with the two projects at issue and is based on Hydro One's

understanding of the scope and intent of this supplementary proceeding. Hydro One certainly welcomes the Board's direction and advice on the matter.

The Board, Board staff and all intervenors will again have the opportunity to review Hydro One's full transmission business, including the capital spending achievements in 2010 at Hydro One's application to establish transmission rates for 2011 and 2012.

If you have any questions regarding this submission please contact Allan Cowan at (416) 345-6219.

Sincerely,

ORIGINAL SIGNED BY ANDY PORAY FOR SUSAN FRANK

Susan Frank

c. EB-2008-0272 Intervenors (electronic)