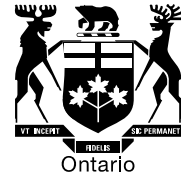


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BY E-MAIL

December 14, 2009.

Ms. Susan Frank
Vice President and Chief Regulatory Officer
Regulatory Affairs
Hydro One Networks Inc.
8th Floor, South Tower
483 Bay Street
Toronto ON M5G 2P5

Dear Ms. Frank:

**Re: REQUEST FOR AMENDMENTS TO APPROVED DEFERRAL ACCOUNTS
Board File Number: EB-2008-0272**

We are in receipt of your letter dated December 3, 2009 requesting that Hydro One be allowed to utilize an existing deferral account established in the EB-2008-0272 proceeding to capture OM &A costs for 14 transmission projects associated with the *Green Energy and Green Economy Act, 2009* that the Minister requested that HONI initiate and carry out.

In the Decision and Order for the 2009/2010 Hydro One Transmission Rates proceeding (EB-2008-0272) a deferral account was established to capture costs for “the IPSP and other preliminary planning costs”. Specifically this account was to be used to record Hydro One’s costs of preliminary work to advance 18 transmission projects identified in the IPSP and for the proposed Darlington B generating station. It was estimated that the recorded costs in this account would be \$19.2 M for the years 2009 and 2010. Hydro One is now seeking to amend this deferral account.

The Board is not able to act on this matter based on the letter that was sent to the Board Secretary’s Office. We ask that you put forward your request as follows:

- an application to the Board to amend an existing Board Order establishing an existing deferral account; or
- an application to the Board for a Board Order to establish a new deferral account or
- an application to the Board to vary the Board's prior Decision and Order (EB-2008-0272).

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

Cc Intervenors