

Hydro One Networks Inc.

483 Bay Street, North Tower, 15th Floor
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LAW

Michael Engelberg, Assistant General Counsel
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December 31, 2008

DELIVERED BY COURIER

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' 2009-2010 Transmission Rate Application – Affidavit of Glen MacDonald in support of Hydro One Networks' response to the Motion from Pollution Probe on the Board's Issues List Decision

I have attached three (3) executed copies of the Affidavit of Glen MacDonald in support of Hydro One Networks' response to Pollution Probe's motion, which is scheduled to be heard on January 9, 2009.

An electronic copy of this letter with the attached Affidavit has been filed using the Board's Regulatory Electronic Submission System (RESS), and the proof of successful submission slip is attached.

Yours very truly,

ORIGINAL SIGNED BY MICHAEL ENGELBERG

Michael Engelberg

Attach.

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15, Schedule B;

AND IN THE MATTER OF a review of an application filed by
Hydro One Networks Inc. under section 78 of the *Ontario Energy
Board Act, 1998*, seeking changes to the uniform provincial
transmission rates.

AFFIDAVIT OF GLEN MacDONALD

I, GLEN MacDONALD, of the City of Mississauga in the Province of Ontario, MAKE
OATH AND SAY:

1. I am a Senior Advisor in the Regulatory Affairs group of the Applicant, Hydro One Networks Inc. (“Hydro One”).
2. Now shown to me and marked as Exhibit “A” to this my Affidavit is a copy of a letter to the Board dated December 23, 2008, from Susan Frank, Hydro One’s Vice President and Chief Regulatory Officer, which letter has been filed in this proceeding.
3. I am familiar with this proceeding, which concerns Hydro One’s transmission rates charged to its direct transmission customers (“the said customers”). I am also familiar with Hydro One’s Distribution Rate Application (EB-2007-0681). I state the following:
 - (a) This proceeding (Hydro One's EB-2008-0272 Application) contains no request for any funding for Conservation and Demand Management (“CDM”) programs directed to the said customers;

- (b) the said customers have access to CDM initiatives funded by the Ontario Power Authority (“OPA”);
- (c) the two CDM programs cited by Pollution Probe in its motion materials (the “Double Return Program” and the “Electricity Retrofit Incentive Program”) are fully funded by the OPA for the said customers;
- (d) I am informed by Giuliana Rossini, Hydro One’s Director of Strategy and Conservation, and I verily believe, that Hydro One does not offer and does not fund any other CDM programs for the said customers;
- (e) Hydro One believes that the said customers have invested, and will continue to invest, in energy efficiency improvements, as part of their ongoing business plans to remain competitive; and
- (f) Hydro One stated in its Distribution Rate Application, and the fact is, that Hydro One intends to continue participating in future OPA-administered CDM programs and will look for opportunities to expand those programs as appropriate, including possibly extending relevant programs to transmission customers.

SWORN BEFORE ME)
at the City of Toronto)
in the Province of Ontario) ORIGINAL SIGNED BY GLEN MACDONALD
this 31st day of December, 2008) GLEN MacDONALD

ORIGINAL SIGNED BY MICHAEL ENGELBERG
Commissioner of Oaths

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Susan Frank
Vice President and Chief Regulatory Officer
Regulatory Affairs

BY COURIER

December 23, 2008

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' 2009-2010 Transmission Rate Application – Pollution Probe Motion to Review and Vary Issues Decision

Hydro One respectfully informs the Board that its letter “Comments Respecting Proposed Issues List” filed with the Board November 25, 2008 is factually correct.

- Hydro One’s submission does not request any funding for CDM programs directed at this market.
- Hydro One feels direct customers have and will continue to invest in energy efficiency improvements as part of their ongoing business plans to remain competitive.
- Transmission companies have access to CDM initiatives funded by the OPA

The two programs noted by Pollution Probe in their Motion, the “Double Return Program” and the “Electricity Retrofit Incentive Program”, are both fully funded by the OPA.

As noted in Hydro One’s Distribution Rate Application under Proceeding EB-2007-0681 “Hydro One intends to continue participating in future OPA-administered CDM programs and will look for opportunities to expand those programs, as appropriate, including possibly extending relevant programs to Transmission customers. “ (Exhibit A, Tab 13, Schedule 1, page 8).

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank

This is exhibit “A”
to the affidavit of Glen Macdonald
sworn before me at the Toronto
City of Toronto
Province of Ontario
this 21st day of December 2008
Michael Goldberg
A Commissioner, etc.