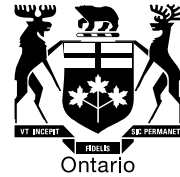


Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416-481-1967
Facsimile: 416-440-7656
Toll free: 1-888-632-6273

**Commission de l'énergie
de l'Ontario**
C.P. 2319
27^e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416-481-1967
Télécopieur: 416-440-7656
Numéro sans frais: 1-888-632-6273



BY E-MAIL

August 23, 2007

Mr. Richard Beare
Utility Manager (Acting)
Terrace Bay Superior Wires Inc.
P.O. Box 40
31 Simcoe Plaza
Terrace Bay ON P0T 2W0

Mr. Glen MacDonald
Senior Advisor
Regulatory Affairs
Hydro One Networks Inc.
483 Bay Street
South Tower, 8th Floor
Toronto ON M5G 2P5

LETTER OF DIRECTION

Dear Mr. Beare and Mr. MacDonald:

Re: Terrace Bay Superior Wires Inc. Application for an Amendment to its Distribution Rates - Board File No. EB-2007-0666, and Application for Leave to Sell its Distribution System – Board File No. EB-2007-0688
Hydro One Networks Inc. Application for Licence Amendment – Board File No. EB-2007-0726, and Application for Approval to Amend Distribution Rates – Board File No. EB-2007-0727

The Ontario Energy Board has now issued its Notice of Application and Hearing relating to the applications noted above.

You are directed:

1. To arrange immediately for the enclosed English version of the Notice, headed with the Ontario government logo and the words "Ontario Energy Board", to be published in one issue of the English language newspaper having the highest paid circulation, according to the best information available, in Terrace Bay Superior Wires Inc.'s service area;

(Note: Applicants are directly responsible for payment of any costs associated with publication of this Notice. Please make it clear to the newspaper that invoices regarding publication are not to be sent to the Board.)

2. To arrange immediately for the enclosed English version of the Notice, headed with the Ontario government logo and the words "Ontario Energy Board", to be published in one issue of the Globe and Mail;

(Note: Applicants are directly responsible for payment of any costs associated with publication of this Notice. Please make it clear to the newspaper that invoices regarding publication are not to be sent to the Board.)

3. To arrange immediately for the enclosed French version of the Notice headed with the Ontario Government logo and the words "Commission de l'énergie de l'Ontario", to be published in one issue of the French language newspaper having the highest paid circulation, according to the best information available, in Terrace Bay Superior Wires Inc.'s service area;

(Note: Applicants are directly responsible for payment of any costs associated with publication of this Notice. Please make it clear to the newspaper that invoices regarding publication are not to be sent to the Board.)

4. To file with the Board an affidavit proving publication of the Notice immediately thereafter;

5. To make a copy of the application and evidence, and any amendments thereto, available for public review at Terrace Bay Superior Wires Inc.'s office and on its website, if available, and at Hydro One Networks Inc.'s office and on its website; and,

- 3 -

6. To provide a copy of the application and evidence, and any amendments thereto, to anyone requesting the material.

Yours truly,

Original signed by

Peter H. O'Dell
Assistant Board Secretary

Enclosures