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 27e 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

October 6, 2009

Ms. Susan Frank Hydro One Networks Inc. 8th Floor, South Tower 483 Bay Street Toronto ON M5G2P5

Dear Ms. Frank:

EB-2008-0272 Hydro One Networks 2009 and 2010 Electricity Re:

Transmission Revenue Requirements – IESO Export Transmission

Services Study

In its decision and order in EB-2008-0272 dated May 28, 2009, the Board made the following finding with regard to the IESO's then upcoming study on the appropriate export tariff:

With respect to the IESO study, the Board agrees with intervenors that the results of the IESO study should be reviewed and any tariff changes implemented as expeditiously as practical. It may not be necessary to wait for Hydro One's 2011-2012 application to consider this matter. The Board directs Hydro One to put forward a proposal to the Board within 60 days of the release of the IESO study. The Board can consider at that time whether it should review Hydro One's proposal in the context of 2010 or 2011 rates.

The IESO's study was completed and filed with the Board on August 28, 2009. The study recommended that no changes be made to the current export tariff.

On September 21, 2009, Hydro One submitted its proposal to the Board, in which it recommended that the current export tariff remain in effect for 2010, and the study could be considered in Hydro One's next transmission rates case for the test years 2011 and 2012 if necessary. The Board has also received two communications expressing concern about the final stages of the consultation in the stakeholder process conducted by the IESO.

The Board has decided that this matter should be considered in the Hydro One Transmission Rate Hearings for the 2011 and 2012 test years. The Board expects that the IESO will participate as necessary in that hearing to address its study. In the meantime the Board will make no change to the approved rates including the \$1/MWh applicable to export service for the 2010 test year.

ISSUED at Toronto on October 6, 2009

ONTARIO ENERGY BOARD

Original signed by

John Pickernell Assistant Board Secretary

cc. Don Rogers, Hydro One counsel Intervenors