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**Commission de l'énergie
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BY EMAIL

February 11, 2008

Christine Robinson
Chief Administrative Officer/Clerk
The Municipality of West Grey
402813 Grey Road #4
R.R. #2
Durham ON N0G 1R0

Dear Ms. Robinson:

**Re: Hydro One Networks Inc.
Application for Leave to Construct
Bruce Milton Transmission Reinforcement Project
Board File No. EB-2007-0050
Notice of Intervention and Cost Eligibility of the Municipality of West Grey**

The Board confirms the Municipality of West Grey as an intervenor in Hydro One's amended application for leave to construct the Bruce to Milton transmission line (Our File No. EB-2007-0050).

The Board has determined that West Grey is not eligible for an award of costs. Under section 3.03 of the Board's Practice Direction on Cost Awards, a party may be eligible for a cost award if the party:

- Primarily represents the direct interest of consumers (e.g. ratepayers) in relation to regulated services;
- Primarily represents a public interest relevant to the Board's mandate; or
- Is a person with an interest in land that is affected by the process.

The issues that West Grey intends to pursue in the hearing relate to environmental matters and compensation matters, neither of which are matters that are before the

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Board. The Board's consideration of the Bruce to Milton Transmission project is limited to the impact on the price, reliability and quality of electric service. Environmental issues related to the project are being addressed through an Environmental Assessment. Issues regarding compensation are not adjudicated by the Ontario Energy Board; if Hydro One and an affected landowner are unable to reach an agreement regarding compensation the matter is referred to the Ontario Municipal Board. While West Grey does have an interest in land that is affected by the process, it is the Board's view that other mechanisms are in place which adequately protect the interests of a municipality in its role as a landowner, including the ability to require permits or other authorizations for projects in a municipality's area.

The Board's conclusion is that West Grey should not be eligible for an award of costs.

Yours truly,

Original Signed By

John Pickernell
Assistant Board Secretary

- c. Glen MacDonald, Hydro One Networks Inc.
Gordon Nettleton, Osler, Hoskin and Harcourt LLP