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PETER C.P. THOMPSON, Q.C. direct tel.: (613) 787-3528 e-mail: pthompson@blgcanada.com

Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street 27<sup>th</sup> floor Toronto, ON M4P 1E4

Dear Ms Walli,

Hydro One Networks Inc. ("Hydro One") 2010 and 2011 Distribution Rate Application

Board File No.: EB-2009-0096 Our File No.: 339583-000044

We are writing to comment on the last paragraph contained in Hydro One's May 7, 2010 letter to the Board pertaining to the Cost Claims submitted by certain intervenors, including our client, Canadian Manufacturers & Exporters ("CME").

In that paragraph, Hydro One asks the Assessment Officer to:

"... review all travel receipts to ensure that intervenors purchase economy class tickets in order to comply with the Board's Practice Direction on Cost Awards."

When the Assessment Officer reviews the travel disbursements included in CME's Cost Claim, he/she will see that the economy class tickets we purchase are Tango class for the Ottawa to Toronto portion of the trip and Latitude class for the return flight. Each of these fare types produces an economy seat on Air Canada flights.

We book Latitude class for the return leg of our flights because it allows us to change the time of the return flight without any additional charges. We regularly and frequently encounter situations when the hearing, conference or other proceeding that calls for our attendance in Toronto is of a duration that is either shorter or longer than expected. Without the Latitude economy class ticket, we would need to pay change fees to alter the time of our return flight, and these change fees would be recoverable as an additional disbursement.

We purchase economy airfare from Air Canada and we receive an economy seat. We have been following this practice for years and the travel expenses for airfare that we have incurred have always been accepted as reasonable.

We are providing this letter now to assist the Assessment Officer in the evaluation of CME's Cost Claim and to hopefully avoid having to address this matter at the conclusion of the assessment process.

Please contact me if there are any questions about the contents of this letter.

Yours very truly,

Peter C.P. Thompson, Q.C.

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c. Susan Frank (Hydro One) Paul Clipsham (CME)

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