

Scott A. Stoll
Direct: 416.865.4703
E-mail: sstoll@airdberlis.com

June 11, 2010

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, ON M4P 1E4

Dear Ms Walli:

**Re: Northgate Minerals Corporation ("Northgate")
Application for Leave to Construct Transmission Facilities
Submission of Information in Confidence
Board File No. EB-2010-0150 (the "Proceeding")**

As part of the Board Staff submissions in this Proceeding, Board Staff was requesting additional information be filed with the Board regarding economic analysis performed by Hydro One Networks Inc. ("**Hydro One**") relating to the proposed facilities that are the subject of this Proceeding and the related work being performed by Hydro One on the K4 circuit ("**Hydro One Work**"). Northgate is submitting the information identified by the Board Staff but is requesting that it be treated as confidential information as set out in the Board's Rules of Practice and Procedure and the Practice Direction on Confidential Filings.

Northgate is requesting the information be kept confidential because it is a private sector company operating in a competitive environment and does not wish to disclose such financial information to its competitors. Furthermore, as part of its upcoming tendering process for the completion of the construction of the Project, disclosure of the information may reduce the competitiveness of the tender as prices may be influenced by the estimated costs. Provided the Board is satisfied there has been compliance with the economic analysis procedure included in the Transmission System Code, there is no further benefit to be had by the disclosure of such information.

Hydro One has indicated the Hydro One work is not contestable work but that it may be comparable to similar projects which are contestable. Therefore, Northgate would also presume that Hydro One does not wish the information to be disclosed as such information may be used by competitor contractors of similar projects where the work would be considered contestable under the Transmission System Code to gain a competitive advantage. Northgate has discussed this with Hydro One and understands that Hydro One is supportive of Northgate's request

Materials

Included in the attached envelope are three unredacted spreadsheets prepared by Hydro One and an estimate of the capital cost of the Project and Hydro One Work and described as:

1. Economic Summary 7 and 47 Line – a summary sheet of each including a stand alone summary for the 7 kilometres of contestable construction (no additional load) and a summary sheet for the 47 kilometres of line construction, the Hydro One Work.
2. The second attachment is the economic evaluation for the entire project, using the Hydro One estimate of the contestable 7 kilometres of construction as a proxy for the Transfer Price . The Transfer Price cost is then included as part of the Line Connection Pool Work.
3. Hydro One estimate of cost of capital cost of Project and Hydro One Work.

Hydro One has indicated the figures were then used in the economic analysis as per the Transmission System Code.

I confirm that an electronic copy of this letter will be submitted through the Board's Regulatory Electronic Submission System ("RESS") on Monday, June 14, 2010. If required, an electronic copy of the information for which confidentiality is claimed will be provided.

AIRD & BERLIS LLP



Scott A. Stoll

SAS:

cc: All intervenors
M. Longlade, Hydro One

Attachment

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