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July 14, 2010

BY FAX & BY COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge St, Suite 2701
Toronto ON M4P 1E4

Dear Ms. Walli:

**Board File No. EB-2010-0002 Hydro One Networks
2011-2012 Transmission Rates Case
Energy Probe Submissions --- Motion to Sever "High 5 Proposal"**

Pursuant to the Procedural Order No. 1, issued June 28, 2010, Energy Probe Research Foundation (Energy Probe) supports the motion by Hydro One to sever the issue of AMPCO's High Five Proposal for determination of transmission network charges from the main transmission rates proceeding.

Energy Probe agrees with Hydro One that the issue is complex and will attract attention from a wide range of intervenors not presently engaged in the transmission rates application. This could result in a relatively lengthy proceeding that might delay the Board's decision on transmission rates unnecessarily if it were included in the EB-2010-0002 proceeding.

Energy Probe also submits that, because the High Five Proposal appears to shift costs from major power consumers to LDCs, sufficient time and focus is needed to evaluate how residential and smaller commercial customers will be affected. That focus could be lost if the matter is considered in the main transmission rates case, which is under some time pressure to conclude by year-end.

Energy Probe agrees with Hydro One that a technical conference would be an appropriate way to begin consideration of the High Five Proposal. However, Energy Probe does not agree that a written hearing will necessarily be the best way to test the evidence. An oral hearing may be required and that option should be reserved.

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Should you require additional information, please do not hesitate to contact me.

Yours truly,

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Case Manager

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