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September 3, 2010

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

Dear Ms Walli,

Hydro One Networks Inc. ("Hydro One") 2011-2012 Transmission Rate Case Board File No.: EB-2010-0002 Our File No.: 339583-000057

Please find attached the Interrogatories of our client, Canadian Manufacturers & Exporters ("CME") for Association of Major Power Consumers in Ontario ("AMPCO").

Yours very truly,

Peter C.P. Thompson, Q.C.

PCT\slc enclosure

c. Anne-Marie Reilly (Hydro One)

Donald Rogers, Q.C. (Rogers Partners LLP)

Intervenors EB-2010-0002 Paul Clipsham (CME)

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IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S. O. 1998, c. 15, Schedule B;

AND IN THE MATTER OF a review of an application filed by Hydro One Networks Inc. for an order or orders approving a transmission revenue requirement and rates and other charges for the transmission of electricity for 2011 and 2012.

INTERROGATORIES OF CANADIAN MANUFACTURERS & EXPORTERS ("CME") FOR ASSOCIATION OF MAJOR POWER CONSUMERS IN ONTARIO ("AMPCO")

Reference: AMPCO Pre-Filed Evidence, Page 7, Footnote 7

Question:

- 1. Some changes were recently announced with respect to the methodology for allocating costs recoverable from electricity customers through the Global Adjustment Mechanism ("GAM"). CME understands that the methodology that is now to be used for recovering GAM costs from certain electricity customers is similar to the methodology AMPCO is proposing for the Network Charge Determinant ("NCD"). Having regard to this preamble, please provide the following information:
 - (a) AMPCO's description of the new methodology that is to be applied to recover GAM costs, including the customers or customer classes that will benefit from this new methodology.
 - (b) List and briefly describe the differences between the new methodology that is to be applied to recover GAM costs and the methodology AMPCO is asking the Board to approve for the purposes of recovering transmission system costs.
 - (c) Please indicate whether the approach AMPCO is proposing is likely to produce more or less system-wide benefits than the new approach that is to be applied to recover GAM costs and provide rationale for the response.
 - (d) Is there any way of implementing a pilot project to determine whether AMPCO's proposal will produce the benefits for all electricity consumers, including those connected to distributors, as described in AMPCO's evidence? If so, then please describe the appropriate parameters for such a pilot project.