Hydro One Networks Inc.

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October 21, 2010

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

Dear Ms Walli:

Re: EB-2010-0132- Hydro One Brampton Networks Inc. Cost of Service Application--Confidentiality

I am writing as co-counsel for the Applicant, Hydro One Brampton Networks Inc. (hereinafter "Brampton"), regarding the above-noted proceeding. Further to Procedural Order No. 2 dated October 8, 2010, and in response to the submissions made to the Board on October 18, 2010, by Mr. Shepherd on behalf of the School Energy Coalition (hereinafter "SEC") objecting to Brampton's request to maintain confidentiality over redacted portions of documents concerning Brampton's Business Plans, Brampton responds as follows.

For the purpose of these submissions, Brampton states its general acceptance of SEC's classification of the redactions into six general categories. Brampton notes that SEC does not take issue with categories 1 and 3 concerning "names and contact information" and "labour cost and FTE/Headcount information after 2011" respectively, except with respect to the necessity of shielding the 2012 labour rates. With respect to Mr. Shepherd's comments concerning the 2012 labour rates, Brampton states that the existing collective agreements expire in March 2011.

With respect to the redactions falling under categories 2, 5 and 6, Brampton respectfully submits that SEC has failed to articulate any reasons in support of its claim that public disclosure of the redacted portions of the documents is necessary. Nor has SEC articulated how the document as redacted hinders its ability to present its case. Brampton submits that article 5.1.7 (b) of the Board's Practice Direction on Confidential Filings is clear that these issues must be addressed and satisfied in an objection to a request for confidentiality.

Indeed, with respect to the second category of redactions, SEC appears to concede that some of this information "may have limited relevance to the test period". With respect to the sixth category, SEC states that the examples "all appear to be harmless". Brampton respectfully adds that the information sought to be made public in the sixth category is also outside of scope of the issues in this proceeding.



To the extent that the redacted information in categories 2, 5 and 6 is relevant and/or the parties will need to make reference to this information in this proceeding, Brampton requests that the Board exercise its jurisdiction to deal with the matter *in camera*, pursuant to the provisions set out article 6.2 of the Practice Direction.

In any event, in direct response to SEC's submissions, Brampton submits that the redacted information constitutes "forward-looking statements" of a commercially sensitive nature. As the parties are aware, Brampton is a wholly-owned subsidiary of Hydro One Inc. ("HOI"), which is a "reporting issuer" under Canadian securities legislation, and as such is subject to the provisions the various applicable laws and regulations throughout the country. Brampton submits that the public disclosure of forward-looking information in this forum could be injurious to holders of securities issued by HOI, could expose HOI to liability and/or could impair HOI's ability to secure vital financing at reasonable market rates in the future. In this regard, Brampton refers the Board to Appendix B of the Practice Direction on Confidential Filings, paragraph (a) i, iii and iv.

Lastly, Brampton requests that the Board consider that it has accepted the necessity for confidential treatment of this type of information in similar Hydro One Networks Inc. Transmission and Distribution rate proceedings including, most recently, the oral portion of the Hydro One Networks Inc. Transmission EB-2010-0002 proceeding, in which SEC did not raise any concerns about similar treatment.

With respect to the redactions falling under category 4, Brampton submits that this information makes reference to terms of a confidential agreement between the parties thereto and is not in the public domain.

In accordance with the foregoing, Brampton respectfully submits that keeping the redactions confidential to these proceedings is warranted in the circumstances. The documents as presently redacted impede neither the intervening parties in presenting their respective cases nor the Board in rendering meaningful and well-documented reasons for its decision in this proceeding.

Lastly, with respect to SEC's reference to a three-page document, being the most recent business plan submission to the Applicant's board in October 2010, Brampton confirms that an unredacted version of this document has been forwarded to the parties and submitted to the Board on October 19, 2010.

All of which is respectfully submitted,

Yours very truly,

ORIGINAL SIGNED BY

Lou Fortini