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BY E-MAIL

October 19, 2010

To: All registered parties in proceeding EB-2010-0132

Re: Hydro One Brampton Networks Inc. ("Hydro One Brampton") - 2011 Electricity Distribution Rate Application (EB-2010-0132)

The Board has received a letter from the School Energy Coalition ("SEC") requesting that provision be made for submissions from all parties with respect to the issue of whether the clearance of Account 1562 should be severed from Hydro One Brampton's application or deferred to a later stage of the proceeding. SEC makes this request on the basis that there is currently before the Board a combined proceeding (EB-2008-0381) in which three applicants – EnWin Utilities Ltd, Halton Hills Hydro Inc., and PowerStream Inc. (successor to Barrie Hydro Distribution Inc.), – are asking the Board to clear their respective Accounts 1562, and in the process general questions associated with Deferred PILs are being addressed. Energy Probe filed a letter with the Board stating that it fully supports the position of SEC in respect of the disposition of this issue.

In response to the request, Hydro One Brampton filed a reply stating that, as an intervenor in EB 2008-0381 it is well aware of the subject matter in that proceeding and that the "circumstances giving rise to balances in Account 1562 and the PILs issue differ greatly from the circumstances of the three applicants in that proceeding."

The Board has considered the request and has determined that the application should proceed as filed. The Board will not order the exclusion of the issue of clearance of Account 1562 or defer it to a subsequent phase of this proceeding. While the Board has not determined at this time whether the circumstances in this proceeding are sufficiently different from the combined proceeding, the Board is of the view that there is sufficient information on the record in this proceeding to merit continuing to hear the application. The Board also notes that parties have had two opportunities to test the evidence submitted by Hydro One Brampton on this issue. The Board will determine

next steps for this and any other issue that may remain unsettled, including possibly convening an oral hearing.

Yours truly,

Original signed by

John Pickernell, Assistant Board Secretary