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August 13, 2008

Delivered by Email

Mr. Gord Nettleton
Osler, Hoskin & Harcourt LLP
Barristers & Solicitors
Suite 2500
TransCanada Tower
450 First Street South West
Calgary, Alberta
T2P 5H1

Dear Mr. Nettleton,

Re: Notice pursuant to Section 22 of the Expropriations Act

On behalf of the owners set out on Schedule "A" attached ("Powerline Owners") each impacted by the proposed transmission reinforcement project between the Bruce Power Facility and the Milton Switching Station ("the project"), we write to further particularize our clients' claims for injurious affection and affirm their intention to claim damages therefor in accordance with the *Expropriations Act*, R.S.O. 1990, c. E. 26 (the "Act"). This correspondence is provided to you in accordance with s. 22 of the *Act*.

Powerline Owners have suffered injurious affection prior to the date of the acquisition of their lands or interest in lands. These damages and losses include reduction in the value of their lands, carrying costs for the lands which they have not been able to sell due to the uncertainty of the project, loss of business opportunity, loss of owners' time engaged in dealing and responding to the HydroOne proposal, and time and expense in engaging lawyers and other experts to address the HydroOne proposal.

These damages for injurious affection described herein are in addition to that which was addressed in part pursuant to the payment each owner was offered in accordance with the policy announced by HydroOne to provide \$2500.00 in compensation for early access to lands.

The delivery of this notice is not to be taken as a rejection of any entitlement available to the Powerline Owners pursuant to the compensation policy announced by HydroOne, but is delivered as a precaution in the event that the entitlements pursuant to that compensation policy are not engaged and the matter proceeds by way of expropriation.



The giving of this notice pursuant to Section 22 of the *Expropriations Act* is not an admission that damages suffered and described herein cannot be characterized appropriately under other heads of compensation for which notice is not required.

Further, the Powerline Owners reserve their rights to appear if and when HydroOne seeks permission to expropriate pursuant to Section 99 of the *Ontario Energy Board Act* and make submissions which may include the requirement for a buy-out of their lands if such would be fair, sound and reasonably necessary and in the public interest to do so in the circumstances.

This notice is in addition to other notice that has been provided to HydroOne concerning the Powerline Owners' circumstances and their claims for loss and injury.

Yours very truly,

Stephen F. Waqué/Frank Sperduti

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