

**Hydro One Networks Inc.**

8<sup>th</sup> Floor, South Tower  
483 Bay Street  
Toronto, Ontario M5G 2P5  
www.HydroOne.com

Tel: (416) 345-5700  
Fax: (416) 345-5870  
Cell: (416) 258-9383  
Susan.E.Frank@HydroOne.com

**Susan Frank**

Vice President and Chief Regulatory Officer  
Regulatory Affairs



BY COURIER

January 5, 2010

Ms. Kirsten Walli  
Secretary  
Ontario Energy Board  
Suite 2700, 2300 Yonge Street  
P.O. Box 2319  
Toronto, ON.  
M4P 1E4

Dear Ms. Walli:

**EB-2007-0050 – Hydro One Networks' Section 92 Bruce - Milton Transmission Reinforcement Application – EA and NEC Approvals**

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Further to my letter of August 31, 2009, I am writing to advise the Board of developments related to the Bruce to Milton Transmission Reinforcement Project ("the project").

In December, Hydro One received approval under the *Environmental Assessment Act* for the project. Earlier in the fall Hydro One also received approval from the Niagara Escarpment Commission (NEC) for that part of the project that is subject to NEC development control. Although the NEC approval is presently under appeal, Hydro One expects the appeal process to be completed within the next few months.

Hydro One has undertaken a comprehensive and effective initiative to voluntarily acquire the necessary land rights to enable the project. With respect to land that Hydro One has been unable to obtain to date, we intend to continue negotiations under this program until late February in order to encourage additional voluntary agreements. After this date Hydro One will file an expropriation authorization application under section 99 of the *OEB Act, 1998* so that rights to the remaining lands may be obtained. The scope of this application will be dependent upon the status of the NEC appeal process. An additional section 99 application pertaining specifically to required lands within the NEC development control area may be necessary.

As Project construction is planned to commence shortly, Hydro One anticipates filing its construction plan pursuant to Condition 2.5 of the Board's Leave to Construct Approval by mid-January 2010. The revised project cost estimate is now \$695 million and the target in-service date is April, 2013.

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank