Hydro One Networks Inc. 8th Floor, South Tower

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Susan Frank Vice President and Chief Regulatory Officer Regulatory Affairs

BY COURIER

April 29, 2011

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

Dear Ms. Walli:

Hydro One Networks' Inc. Notice of Intent to File a Distribution Cost of Service Application for the Years 2012 and 2013

The purpose of this letter is to advise the Board per its letter of March 1, 2011, of Hydro One Network Inc.'s (Hydro One) intention to file a two-year Distribution Cost of Service Rate Application late in 2011 for the test years 2012 and 2013 as has been the Company's past practice. Hydro One was not one of the listed LDCs in the Board's memo of March 1, 2011 scheduled for filing 2012 Cost of Service applications.

This application is required to ensure the continued funding of work associated with the connection of new renewable generation throughout the province, the implementation of the smart grid network as well as sustainment and maintenance of the electrical grid and to meet all safety and reliability standards and maintain customer satisfaction levels.

As it has done in the past, Hydro One will provide full justification for any proposed changes in funding and rates in its forthcoming application.

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank