

**Ontario Energy
Board**
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**Commission de l'Énergie
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BY E-MAIL

February 22, 2008

Mr. Tom Brett
Gowlings LLP
1 First Canadian Place
100 King Street West, Suite 1600
Toronto, ON M5X 1G5

Dear Mr. Brett:

**Re: Hydro One Networks Inc. - Board File No EB-2007-0681
Notice of Intervention - Milton Hydro Distribution Inc**

This is to acknowledge receipt of your (late) intervention dated February 19, 2008 in the above matter, subject to your acceptance of the record to date as it stands, and subject to Hydro One Networks Inc.'s right of reply to your request within 10 days of the mailing of this letter.

In its letter, Milton Hydro states "While, normally, distributors are not eligible for costs, in this circumstance Milton Hydro's circumstances are unique, as its customers in Milton Hydro's view are being overcharged while the customers of other Ontario utilities are being undercharged. Consequently, only Milton Hydro can represent its ratepayers in this situation."

As Milton Hydro is aware, section 3.05 of the Board's Practice Direction on Cost Awards identifies distributors, either individually or as a group, as one of the parties that are not eligible for an award of costs. While the Board can, in special circumstances, allow an ineligible party to be eligible for cost awards under section 3.06 of the Practice Direction, Milton Hydro has not demonstrated that there are special circumstances in this case.

The Board has therefore determined that Milton Hydro Distribution Inc. is not eligible to apply for an award of costs under its Practice Direction on Cost Awards.

The Practice Direction and related forms are available on the Board's Web site at www.oeb.gov.on.ca .

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary

c: G. MacDonald (Hydro One Networks Inc.)
Don Rogers