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October 30, 2015

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

Dear Ms. Walli:

**Re: Hydro One Networks Inc. Application for an Amendment to Electricity Transmitter
Licence ET-2003-0035
OEB File Number EB-2015-0270**

On August 12, 2004, the Ontario Energy Board (the "Board") issued a Decision and Order in the RP-1999-0057/EB-2002-0501 proceeding in which the Transmission Licence of Hydro One Networks Inc. ("Hydro One") was amended to, among other things, allow Hydro One and Bruce Power L.P. ("Bruce Power") to enter into a modified form of connection agreement in relation to the shared use of certain high voltage ("HV") circuit breakers.

That Decision and Order required that Bruce Power conduct and complete studies concerning the installation of its own breakers at the Bruce A station for HV interruption and for synchronizing the generator to the transmission system, and that Bruce Power and Hydro One discuss whether installation of the additional breakers by Bruce Power was warranted.

By letter to the Board dated July 18, 2013, Hydro One advised the Board that Hydro One and Bruce Power concluded that no additional breakers needed to be installed at the Bruce A station by Bruce Power for HV interruption or for synchronization to the transmission system, subject to the Cost Sharing Agreement dated June 19, 2013 that had been negotiated between Hydro One and Bruce Power, a copy of which was provided to the Board (the "Cost Sharing Agreement").

In its July 18, 2013 letter to the Board, Hydro One requested that the Board accept the terms and conditions in the Cost Sharing Agreement. Hydro One further requested that the Board (i) issue an order to direct Hydro One and Bruce Power to enter into a modified form of connection agreement that would give effect to the terms and conditions set out in the Cost Sharing Agreement and (ii) make certain amendments to Hydro One's Transmission Licence pertaining to this matter.

We are writing to confirm our support that the Board issue such order(s) as it deems appropriate, either in respect of the transmission connection agreement or Hydro One's transmission licence, to give effect to the following terms agreed to by Hydro One and Bruce Power in the Cost Sharing Agreement:

- the deletion of each reference to "the negligence or" or "negligence or" from Sections K.1.2 to K.1.4 inclusive of Schedule K of the Connection Agreement;
- the collection by Hydro One from Bruce Power of (i) 50% of the Dual Use Assets Operating and Maintenance Costs and (ii) 50% of the Engineering and Construction Cost of Dual Use Asset Replacement Work, in accordance with the Cost Sharing Agreement; and
- the determination by the Board of the responsibility for Incremental Costs (as defined in the Cost Sharing Agreement) in accordance with a methodology agreed upon by Hydro One and Bruce Power, acting reasonably.

Yours truly,



William Schnurr
Assistant General Counsel

cc. Graham Henderson (Hydro One) - graham.henderson@HydroOne.com
Oded Hubert (Hydro One) - oded.hubert@HydroOne.com