

Rogers Partners LLP

Barristers & Solicitors

D.H. Rogers, Q.C.

Donald H. Rogers Professional Corporation

e-mail: don.rogers@rogerspartners.com

Direct Dial: (416) 594-4501

Assistant: (416) 594-4511

Our File Number: 72738

July 28, 2008

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

Dear Ms. Walli:

Re: Hydro One Networks Inc. - 2008 Distribution Rate Application
EB-2007-0681

On Tuesday, July 22, 2008, the Chairman asked me to direct the Board to its decision on the Burlington assets sale. That decision and order is found in File EB-2007-0668, a copy of which is attached for your convenience.

You will see that the sale price covered the net book value of the assets as well as an element of future revenue.

I am instructed that a similar arrangement has been made with the Town of Oakville although all of the documentation required to file a Section 86 application has not been prepared. I am instructed, however, that Hydro One has reached an agreement with Oakville to sell these assets on a commercial basis covering the value of the assets plus some future revenue, just as in the case of Burlington. In due course an application will be submitted for approval of the sale.

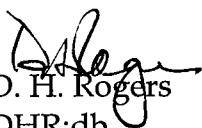
Finally, I understand that negotiations with Milton continue.

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I trust that this is the information requested.

Yours very truly,



D. H. Rogers

DHR:db

Encl.

- c. Ms. Jennifer Lea
Board Counsel
Ontario Energy Board
- c. All Intervenors