

Ontario Energy
Board
P.O. Box 2319
27th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

Commission de l'Énergie
de l'Ontario
C.P. 2319
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



BY EMAIL ONLY

December 21, 2007

Mr. Glen MacDonald
Senior Advisor – Regulatory
Research and Administration
Hydro One Networks Inc.
8th Floor, South Tower
483 Bay Street
Toronto ON M5G 2P5

Dear Mr. MacDonald:

Re: Notices of Application and Letter in Regard to Hydro One Networks Inc.
(A) Amended Application for Leave to Construct the Bruce-Milton
Transmission Reinforcement Project (EB-2007-0050); and
(B) Application for Entry onto Land Prior to Decision on Leave to
Construct the Bruce-Milton Transmission Reinforcement Project (EB-
2007-0920)

It is our understanding that Hydro One Networks Inc. is planning to serve the subject Notices and Letter in regard to the Bruce to Milton Project on January 7, 2008.

Accordingly, the Board directs Hydro One to replace the Letter to the Landowners dated December 11, 2007 that is to accompany the Notices and replace it with the attached Letter to the Landowners dated January 7, 2008.

Yours truly,

Kirsten Walli
Board Secretary

c. Gord Nettleton, Osler, Hoskin and Harcourt LLP

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January 7, 2008

**RE: Hydro One Networks Inc.
Application for Entry onto Land and
Amended Application for Leave to Construct - Bruce to Milton Project
Board File No. EB-2007-0050 and EB-2007-0920**

Dear Landowner:

The Ontario Energy Board is sending you this letter to help clarify our role with respect to two applications that have been made by Hydro One Networks Inc. ("Hydro One") and to explain the Board's process for these applications.

The Applications

Hydro One has filed two applications with the Board.

The primary application is for construction of a new transmission line between the Bruce Power Facility and the Milton Switching Station. This application was originally filed at the end of March, 2007, and amended on November 30, 2007. The amendments made by Hydro One include consideration of a number of route alternatives which may affect your property. We call this the **Amended Leave to Construct Application**.

A related application is for permission to enter the land along the possible routes before the Board makes a decision on the Amended Leave to Construct Application. We call this the **Entry onto Land Application**.

Included in this package are the **Notice of Amended Application** for the Amended Leave to Construct Application and the **Notice of Application and Hearing** for the Entry onto Land Application. The purpose of the Notices is to ensure that all potentially affected property owners are informed and can participate in this proceeding before the

Board. Although these applications relate to the same project, they are separate applications, and the Board will deal with each one separately.

The Amended Leave to Construct Application (EB-2007-0050)

The Board regulates Hydro One, and Hydro One cannot construct a major transmission line unless it has received the Board's approval. The proposed Bruce to Milton project is one such proposal.

The Amended Leave to Construct Application includes three potential changes to the route that was applied for in the original leave to construct application. As a result of these potential route changes, certain properties that were not originally directly affected by the application may now lie on the route of the proposed transmission line.

Hydro One indicates that the potential local route changes are in response to comments received during its ongoing consultation activities. The route for the proposed transmission line and three areas for potential local route changes are shown on a map attached to the Notice. The three potential local route alternatives under consideration are in the following areas: Brockton/Hanover/ West Grey; Camp Creek; and Halton Hills.

In reviewing the Amended Leave to Construct Application the Board can only consider the interests of consumers with respect to prices and the reliability and quality of electricity service. This limitation is set out in our legislation. The Board cannot consider the environmental impacts related to the project, including the selection of the precise route (for example, the exact location of the transmission towers).

Environmental impacts are the subject of an Environmental Assessment that must be conducted by Hydro One under the *Environmental Assessment Act*. The Board does not have authority over that process.

The Entry onto Land Application (EB-2007-0920)

In the Entry onto Land Application, Hydro One is seeking permission for its employees and representatives to conduct surveys or examinations of properties in the Camp Creek and Halton Hills areas, prior to the Board's decision on the Amended Leave to Construct Application. These two areas are described in the Notice of Amended Leave to Construct Application.

Hydro One filed a similar application for all of the properties along the original proposed route in March 2007. The Board issued a Decision and Order on August 20, 2007 granting Hydro One permission to enter onto these properties, but established a set of conditions which Hydro One must meet. Hydro One has proposed that those same conditions should apply to its entry onto land in Camp Creek and Halton Hills.

If the Entry onto Land Application is granted, it does not necessarily mean the Board has approved or will approve the construction of the transmission line. On the other hand, if the Entry onto Land Application is denied, the Board will still consider the Amended Leave to Construct Application.

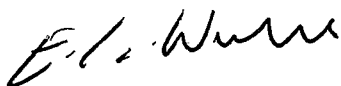
Compensation and Damages

The Board does not set compensation amounts related to Hydro One's acquisition of land or easements required for construction of the transmission line. Similarly, the Board does not set compensation amounts for any damages arising from entry onto land. Separate legislation applies to those issues.

How to Get Answers to your Questions

For information on the Board's cost award policies or the review procedures related to either Entry onto Land Application or the Leave to Construct Application you can call the Ontario Energy Board's Consumer Relations Centre toll free at 1-877-632-2727. You can also visit our web site – look for the "Bruce to Milton Transmission Proceeding" on our home page at www.oeb.gov.on.ca and it will provide you with links to documents on our process and procedures.

Yours truly,



Kirsten Walli
Board Secretary

- c. All Intervenors – EB-2007-0050
Ministry of Energy
Ministry of Environment
Hydro One Networks Inc.

Addresses

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**Attn: Glen MacDonald
Sr. Advisor – Regulatory**