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October 30, 2008

Kirsten Walli
Board Secretary
Ontario Energy Board
27th floor - 2300 Yonge Street
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Dear Ms Walli,

Hydro One Networks Inc. (“Hydro One”)
Transmission Rate Case
Board File No.: EB-2008-0272
Our File No.: 339583-000003

We are writing this letter to seek intervenor status and cost award eligibility in this proceeding on behalf of Canadian Manufacturers & Exporters (“CME”). The Board’s Notice of Application, dated October 17, 2008, came to our attention as a result of its publication, today, in the Ottawa Citizen.

Request for Intervenor Status

The reasons why CME should be granted intervenor status in this proceeding include the following:

- (i) CME is Canada’s leading business network. Its members represent 75% of manufactured output in the Province of Ontario, and 90% of all exports.
- (ii) Manufacturing is important to the Province of Ontario. It is the single largest sector of the economy (17.5% of Gross Domestic Product (“GDP”) or \$300B) employing, directly, over 1M people in the Province.
- (iii) Electricity is the primary source of energy for the manufacturing sector. As a result, the members of CME are vitally concerned with all matters pertaining to the supply and price of electricity.
- (iv) Ontario-based CME members seek an electricity system for Ontario which is one of the most cost-effective and economically sustainable systems in North America.
- (v) CME’s primary concern, in this proceeding, is the level of the rate increases Hydro One Networks Inc. (“Hydro One”) seeks to its transmission rates, effective July 1, 2009, and the impact that such rate changes will have on the energy costs of its members.
- (vi) CME wishes to actively participate in these proceedings to assure that any rate changes which the Board approves are just and reasonable. Just and reasonable rates are a necessary ingredient of an electricity system that will support a growing and prosperous manufacturing sector.

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Request for Cost Award Eligibility

CME seeks a determination that it is eligible for a Cost Award on the following grounds:

- (i) CME is a not-for-profit organization funded by membership fees and revenues from the services it renders to Federal and Provincial Governments and Agencies to foster the development of national and international markets for its members and to break down trade barriers.
- (ii) About 85% of CME's 1,200 Ontario-based member companies are Small to Medium sized business Enterprises ("SMEs") with 500 employees or less. The views of these businesses should be considered in these proceedings.
- (iii) CME's ability to actively participate in this proceeding is dependent upon a determination that it is eligible for a Cost Award. In many prior proceedings, the Board has determined that CME is eligible for a Cost Award.

Written or Oral Hearing

CME considers an oral hearing process, preceded by a Settlement Conference, to be the most efficient way for the Board to resolve the issues which it lists for determination in this proceeding.

CME Contacts

If the relief requested in this letter is granted, then CME requests that further communications with respect to this matter be sent to the following:

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Please contact the undersigned if the Board requires any further information in connection with these requests.

Yours very truly,



Peter C.P. Thompson, Q.C.

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c. Glen MacDonald (Hydro One Networks Inc.)
Paul Clipsham (CME)

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