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Vice President & Chief Regulatory Officer  
Regulatory Affairs



November 22, 2007

BY COURIER

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

Dear Ms. Walli:

**EB-2007-0707 – OPA’s Integrated Power System Plan and Procurement Process – Phase 1  
- Hydro One Networks Inc.’s Comments With Respect to OPA’s Proposed Issues List**

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Hydro One Networks Inc. (“Hydro One”) is a registered intervenor in the EB-2007-0707 proceeding. Hydro One has reviewed the issues list as drafted by the Ontario Power Authority (“OPA”) and is generally supportive of the issues list as drafted.

Hydro One believes that the current wording as drafted for Section 6 of Issue (1), will allow for the review by the Board of two issues of particular interest to Hydro One, those being: enabling lines and development costs.

Hydro One believes that the Board’s review of the plans for the transmission system in the IPSP must include a review of the enabling line concept and their subsequent cost recovery in transmission rates. The IPSP also identifies a significant level of development work which the transmitters are requested to undertake in the event certain projects are approved for construction or as a back-up in case a preferred option such as generation fails to materialize. Hydro One would like assurance that the cost of any development work undertaken, regardless of whether a project is eventually constructed and placed in service, will be eligible for cost recovery in a subsequent transmission rate proceeding.

Finally, since the first IPSP is not seeking to prove the need for any specific transmission projects, Hydro One assumes that the Board’s review of the IPSP will not in anyway, delay the review and approval of any pre-IPSP transmission projects submitted by Hydro One during the IPSP proceeding.

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Hydro One intends to participate in the proceeding as necessary to clarify or test evidence through interrogatories, and, if required, provide submissions and/or argument on issues pertinent to its interests.

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank

c: Mike Lyle, Ontario Power Authority  
Miriam Heinz, Ontario Power Authority