

**Hydro One Brampton**  
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BY COURIER  
March 21, 2007  
Ms. Kirsten Walli  
Secretary  
Ontario Energy Board  
Suite 2700, 2300 Yonge Street  
P.O. Box 2319  
Toronto, ON.  
M4P 1E4

Dear Ms. Walli:

**RE: 2010 Electricity Distribution Rate Group- Hydro One Brampton Networks Inc.**

Hydro One Brampton Networks Inc. (Hydro One Brampton) is requesting to be included in the 2010 Distribution Rate Group for a cost of service review.

Earlier this year, the Chair of the Ontario Energy Board announced that the Board has established a multi-year electricity distribution rate setting plan (the "Rate Plan") for the years 2007 to 2010. From the OEB's Staff Discussion Paper on the Cost of Capital and 2nd Generation Incentive Relation for Ontario's Electricity Distributors - July 25, 2006, "In 2007, all distributors will be subject to a formulaic adjustment for cost of capital and the incentive mechanism. Beginning in 2008, the Board will divide distributor rate rebasing reviews into three yearly tranches (i.e., ~30 distributors per year starting in 2008). The rates of 1/3 of the distributors will be subject to the 2nd Generation IRM for three years (2007 to 2009), the rates of 1/3 of the distributors will be subject to it for two years (2007 and 2008), and the rates of 1/3 of the distributors will be subject to it for one year (2007)."

Hydro One Brampton is requesting to be included in the final 1/3 tranche for several reasons. In order to sustain the continued customer and load growth in Brampton, Hydro One Networks Inc. will be constructing an additional transformer station in Brampton in 2009. Hydro One Brampton will be required to make a capital contribution towards this project as well as construct additional distribution infrastructure from this new station to our distribution system. In addition, Hydro One Brampton will also be upgrading numerous wholesale metering points during this period. Hydro One Brampton will also

be considering additional substantial investments in infrastructure and system upgrades to accommodate our significant customer growth.

Sincerely,

A handwritten signature in cursive script that reads "Scott Miller". The signature is written in black ink and is positioned above the typed name and contact information.

Scott Miller,  
Regulatory Affairs Manager,  
Hydro One Brampton Networks Inc.  
[smiller@HydroOneBrampton.com](mailto:smiller@HydroOneBrampton.com)  
905-452-5504

Roger A. Albert, President & CEO, Hydro One Brampton Networks Inc.  
Jamie Gribbon, Vice-President Finance and Administration, Hydro One Brampton  
Networks Inc.