



BY EMAIL AND COURIER

May 23, 2008

To: All Intervenors and the Applicant in EB-2007-0050

**Re: Hydro One Networks Inc.
Application for Leave to Construct
Bruce-Milton Transmission Reinforcement Project,
Board File No. EB-2007-0050
Intervenor Cost Submissions Direction**

In its Decision and Order on Motion, dated July 4, 2007, the Board, among other matters, indicated it would institute a Staged Cost Award process. That Decision stated:

“The Board does understand that cost awards can be a lengthy process and that this places a significant burden on participants in a lengthy proceeding. Therefore, for this proceeding, the Board will institute a staged cost awards process.”

Accordingly, this letter sets the schedule for Staged Cost Award process.

Please note, however, that the intervenors may chose to wait until the proceeding is completed and file a single claim for all of their costs. The timeline for filing a single cost claim will be determined after the argument phase of the hearing is completed.

The Staged Cost Award process will consist of two stages. In the First Stage intervenors may file claims for eligible costs incurred based on their participation from the start of the proceeding until May 16, 2008, inclusive. In the Second Stage, the intervenors that chose to file costs in a staged manner, will have the opportunity to claim the costs incurred for their participation in the remainder of the proceeding.

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The timeline for filing in the Second Stage will be determined after the argument phase of the hearing is completed.

The following is the timeline for filing cost claims in the First Stage:

- Intervenors eligible for an award of costs shall file their cost submissions in accordance with the *Practice Direction on Cost Awards* with the Board Secretary and with Hydro One Networks Inc. no later than **Monday, June 2, 2008**.
- Hydro One Networks Inc. may make submissions regarding the cost claims no later than **Monday, June 16, 2008**; and
- The intervenors may reply no later than **Monday, June 23, 2008**.

A decision and order on the First Stage of the Staged Cost Award will be issued in due course.

The Board reminds all the intervenors who intend to file cost claims in this proceeding that on November 16, 2007, the Board amended its Practice Direction to reflect a new tariff for legal counsel and consultants. Therefore, for all work performed before November 16, 2007, the old tariffs shall be applied. For convenience, the tariffs that were in effect prior to November 16, 2007 are attached to this letter. The current tariffs to be used in calculating costs of work conducted on and after November 16, 2007 may be found in the Appendix A of the Board's *Practice Direction on Cost Awards*.

Yours truly,

Original Signed By

John Pickernell
Assistant Board Secretary

- c. Glen MacDonald, Hydro One Networks Inc.
Gord Nettleton, Osler, Hoskin and Harcourt LLP