



Ontario Energy Board
PO Box 2319
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2300 Yonge Street
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14 August 2006

Re: Board Staff Discussion Paper dated 25 July 2006
Multi-year Electricity Distribution Rate Setting Plan
Cost of Capital (EB-2006-0088) and 2nd Generation Incentive Regulation
Mechanism (EB-2006-0089)

To: E. Kirsten Walli, Board Secretary

Newmarket Hydro is pleased to provide the enclosed Expert Testimony regarding the Cost of Capital and Capital Structure proposal outlined in the Board Staff Discussion Paper dated 25 July 2006.

We thank staff for their evaluation and consideration of the recommendations contained therein.

Sincerely,

A handwritten signature in black ink, appearing to read "Iain Clinton", is written over a horizontal line. The signature is fluid and cursive.

Iain Clinton, CA
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