

Hydro One Networks Inc.

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Susan Frank

Vice President and Chief Regulatory Officer
Regulatory Affairs



BY COURIER

May 8, 2006

Mr. John Zych
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON.
M4P 1E4

Dear Mr. Zych:

EB-2006-0088/EB-2006-0089 – Multi-year Electricity Distribution Rate Setting Plan Cost of Capital (EB-2006-0088) and 2nd Generation Incentive Regulation Mechanism (EB-2006-0089) – Hydro One Networks Notice of Intervention

In response to the Ontario Energy Board's April 27, 2006 letter to licensed distributors and other interested parties, I am writing to indicate Hydro One Networks' ("Networks") intention to participate in both the Cost of Capital and Incentive Regulation proceedings. Networks is prepared to participate in any manner which can provide constructive assistance to the Board and other participants including the provision of an expert witness, participation in informal and formal meetings and in any reviews of draft proposals and draft Codes.

Networks is not eligible for and does not intend to seek an award of costs as per the Board's Cost Award Guidelines.

Networks requests that documents filed with the Board in this proceeding be served as follows –

Mr. Glen MacDonald
Senior Advisor – Regulatory Research and Administration
Regulatory Affairs
Hydro One Networks

Address for Personal service: 8th Floor, South Tower
483 Bay Street
Toronto, Ontario

M5G 2P5

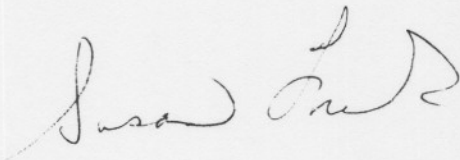
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Sincerely,

A handwritten signature in cursive script, appearing to read "Susan Frank".

Susan Frank

c. M. Hare, Ontario Energy Board