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**Commission de l'Énergie
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BY PRIORITY POST

May 24, 2005

Glen MacDonald
Senior Advisor, Regulatory Affairs
Hydro One Networks Inc.
8th Floor, South Tower
483 Bay Street
Toronto ON M5G 2P5

CORRECTION TO THE INTERIM DECISION

Dear Mr. MacDonald:

**Re: Application for leave to construct transmission facilities in Niagara Region
by Hydro One Networks Inc. - Board File No. EB-2004-0476**

The Board is issuing a correction to the Interim Decision dated May 18, 2005 regarding this Application. Section 2.5, second paragraph, page 11 of the Interim Decision contained incorrect references, which is corrected in the attached replacement page 11. The revised document is now on the Web site.

The Board points out that the correction does not impact any finding of the Interim Decision.

Yours truly,

Original signed by

Peter O'Dell
Assistant Board Secretary

c. Mary Anne Aldred, Hydro One Networks Inc.
All Interested Parties

Encl.

The Board notes that, in a report filed in relation to the “Downtown Underground Cable” between John and Esplanade, for which the Board recently granted Hydro One’s leave to construct application (Board file number EB-2004-0436), the IESO reviewed the fit of the proposed “Downtown Underground Cable” project with plans to provide a third supply to downtown Toronto. The report concluded that there would be no adverse impact on the IESO-controlled grid, and that the “Downtown Underground Cable” project and the third supply options, including the direct current submarine cable from Beck generating station in Niagara, were compatible and complementary. The report therefore recommended that a Notification of Approval to Connect should be issued by the IESO.

In its reply submission, Hydro One agreed with the IESO’s recommendation (referred to above) against considering the cable project under Lake Ontario when assessing the benefits of the Project, as this underwater cable option is highly uncertain, and furthermore is not an alternative to the Project.

Hydro One has carried out a Customer Impact Assessment (“CIA”) in accordance with its customer connection procedures to determine the impact of the Project on customers. Hydro One submits that the report shows that these customers will not be adversely impacted.

2.6 Rights-of-Way

Hydro One proposes to use existing rights-of-way for these facilities along its 76 km route, with the exception of a small parcel of land north of Caledonia TS, which is less than 0.5 km in length and for which the easement rights must be acquired from the Ministry of Transportation. Hydro One has begun negotiations and intends to acquire all needed land rights prior to the commencement of construction.

The Landowners submitted that the Project should not be permitted to proceed until Hydro One provides conclusive evidence that property values will not be affected, or affected property owners are appropriately compensated. The Landowners also submitted that Hydro One had, in the past, been ordered to offer to buy out landowners whose properties were within a certain distance of a proposed transmission corridor, and that if the Project involves the same transmission corridor the Project should only proceed if Hydro One is similarly ordered to offer to buy out affected landowners.