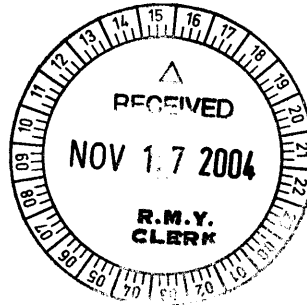


Minister of Energy

Hearst Block, 4th Floor
900 Bay Street
Toronto ON M7A 2E1
Tel.: 416-327-6715
Fax: 416-327-6754

Ministre de l'Énergie

Édifice Hearst, 4e étage
900, rue Bay
Toronto ON M7A 2E1
Tél.: 416-327-6715
Téléc.: 416-327-6754



COPY



NOV - 9 2004

**REGION OF YORK
CLERK'S OFFICE**

FILE No. - 907

Ms. Sheila Birrell
Town Clerk
The Town of Markham
101 Town Centre Boulevard
Markham, Ontario
L3R 9W3

Dear Ms. Birrell:

Thank you for your letter enclosing Markham Town Council's resolution regarding new transmission to supply York Region's electricity needs.

A copy of the resolution was also sent to me by His Worship W. Donald Cousens, Mayor of Markham. I have enclosed a copy of my response to Mayor Cousens for council's information.

I appreciate you taking the time to bring the views of Markham Town Council to my attention and please accept my best wishes.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Dwight Duncan'.

Dwight Duncan
Minister

Enclosure

- c: Jim Baird, Commissioner of Development Services, Town of Markham
Catherine Conrad, Town Solicitor, Town of Markham
Town Clerk, Aurora
Town Clerk, Newmarket
Town Clerk, Richmond Hill
City Clerk, Vaughan
Regional Clerk, Region of York

COPY

Minister of Energy

Hearst Block, 4th Floor
900 Bay Street
Toronto ON M7A 2E1
Tel.: 416-327-6715
Fax: 416-327-6754

Ministre de l'Énergie

Édifice Hearst, 4e étage
900, rue Bay
Toronto ON M7A 2E1
Tél.: 416-327-6715
Téléc.: 416-327-6754



NOV - 9 2004

His Worship W. Donald Cousens
Mayor
Town of Markham
Anthony Roman Centre
101 Town Centre Boulevard
Markham, Ontario
L3R 9W3

Dear Mayor Cousens:

Thank you for your letter enclosing Markham Town Council's resolution regarding new transmission and the proposed Ontario Power Authority (OPA). A copy of the resolution was also sent to me by Ms. Sheila Birrell, Markham Town Clerk.

Forecasts by both the Independent Electricity Market Operator and local distribution companies in the York Region have indicated that existing Hydro One transmission facilities which deliver power to the northern York Region will likely reach capacity by the winter of 2005/2006 as a result of rapid load growth in the Newmarket and Aurora area.

In order to protect the reliability of supply to the northern York Region, Hydro One has developed several transmission solutions. The Hydro One Board has recently identified their preferred transmission route. As with all transmission projects, there is an existing environmental assessment process as well as a requirement for Ontario Energy Board approval prior to the start of construction. Both processes allow for public input.

Please note that a completion of the environmental approvals will not commit Hydro One to begin construction. Hydro One will only begin implementation of this option if it is asked to do so by York Region and the affected local distribution companies (LDCs). York Region and the LDCs may continue to examine other alternatives – including increased demand management, local generation, and distribution solutions – and then decide how best to proceed. I agree that, in future, the choice between alternative solutions could certainly fall within the mandate of the OPA in the context of Integrated Power System Planning, as proposed in Bill 100. However, the legislation is still before the legislature and I believe it would be irresponsible to delay consideration of solutions for York Region given current growth forecasts.

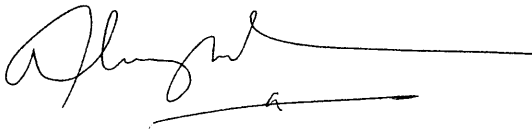
.../cont'd

If you have any concerns about the Hydro One proposal, I would suggest that you contact Mr. James O'Mara, Director, Environmental Assessments and Approvals Branch, Ministry of the Environment, 2 St. Clair Avenue West, Floor 12A, Toronto, Ontario, M4V 1L5. You can also address your concerns directly to Hydro One by writing to Ms. Rita Burak, Chair, Hydro One Inc., 430 Bay Street, 10th Floor, South Tower, Toronto, Ontario, M5G 2P5.

I can assure you that the Ministry of Energy will continue to monitor this situation in order to ensure that Hydro One proceeds in a manner that improves reliability without jeopardizing our environment – particularly in this unique area.

I appreciate you bringing the concerns of Markham Town Council to my attention.

Sincerely,

A handwritten signature in black ink, appearing to read 'Dwight Duncan', followed by a horizontal line extending to the right.

Dwight Duncan
Minister

c: The Honourable Dalton McGuinty, Premier
The Honourable Greg Sorbara, Deputy Premier and Minister of Finance
Rita Burak, Chair, Hydro One
Tom Parkinson, President and Chief Executive Officer, Hydro One
Scott Somerville, Chief Administrative Officer, Town of Aurora
John Livey, Chief Administrative Officer, Town of Markham
Sheila Birrell, Town Clerk, Markham
David Estrin, Gowling Lafleur Henderson LLP