



W. Donald Cousens
Mayor

December 13, 2004

Hon. Dwight Duncan, MPP
Minister of Energy
900 Bay Street
Hearst Block, 4th Floor
Toronto ON M7A 2E1

Hon. Leona Dombrowsky, MPP
Minister of Environment
135 St. Clair Avenue West
12th Floor
Toronto ON M4V 1P5

Dear Ministers:

Re: HydroOne's Proposal to Expand Transmission Capacity in Markham-Newmarket Corridor.

In September, I met with the Chair of HydroOne to discuss the many concerns and outstanding issues with respect to HydroOne's plans and its conduct of the Class Environmental Assessment with respect to upgrading transmission capacity between the Parkway Transmission Station and the Armitage Transmission Station via HydroOne's existing right-of-way. During the meeting, I proposed a "timeout" during which representatives of the Town of Markham and the Town of Aurora could meet with representatives of HydroOne to identify and review feasible alternatives and to try to address outstanding issues with respect to HydroOne's preferred alternative. HydroOne chose not to respond to that proposal.

Accordingly, I am writing to the Minister of Energy in his capacity as Minister responsible for HydroOne to have him ask officially that HydroOne agree to a process of self-directed mediation with respect to its proposal.

Should HydroOne refuse to engage in self-directed mediation, I am writing the Minister of Environment to ask officially that she appoint a mediator now to address and hopefully resolve the outstanding issues with respect to HydroOne's proposal, as contemplated by the *Environmental Assessment Act*, subsection 16(6).

This request is without prejudice to the Town of Markham's position as to the legality of the HydroOne ESR process, or to the Town of Markham's right to seek legal redress. We trust a commitment to mediation would be granted in advance of the December 20, 2004 final date for comment on the ESR.

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We would be pleased to put forward names of one or more eminent persons to be appointed as mediator for your consideration.

A logical effect of the initiation of mediation should be to put review of the Environmental Study Report submitted by HydroOne in abeyance until the mediation process has been completed.

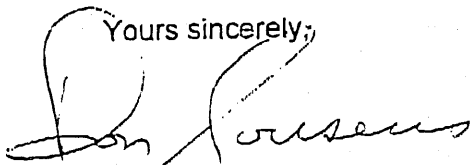
There is time for mediation. The HydroOne ESR notes the forecasts demonstrate ample capacity until the winter of 2006-07. We could have the mediation underway by February with all parties working together in a spirit of openness and co-operation to validate demand and explore all alternatives. This would do much to provide an opportunity for a level of consultation denied to date. A comprehensive review would be in the interest of all.

The initiation of the mediation process is essential to return credibility and reason to the Environmental Assessment Process and to assuage the legitimate concerns of local residents, businesses and municipal governments that the Class Environmental Assessment conducted by HydroOne failed to address or ignored.

Accordingly, I urge you to give this proposal serious and immediate consideration.

I look forward to your reply at your earliest possible opportunity.

Yours sincerely,



W. Donald Cousens
Mayor

cc: Members of Markham Council
Members of Aurora Council
Members of the Markham-Aurora Task Force
All local Members of Provincial Parliament
All local Members of Parliament