

July 8, 2008

Mr. Bill Fisch
Chairman and Chief Executive Officer
The Regional Municipality of York
17250 Yonge Street
Newmarket, ON
L3Y 6Z1

RE: RAMPS AT NINTH LINE AND DON COUSENS PARKWAY

Dear Mr. Chair:

It was a pleasure to see you again on May 22 at our meeting regarding the ramps at Ninth Line and Don Cousens Parkway. I appreciated the frank and open discussion that we had. As promised, I have made additional inquiries with my staff regarding these ramps.

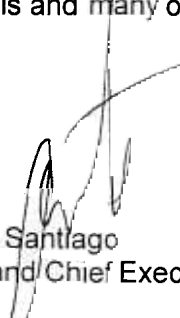
I have discussed this matter with the Board of Directors and I am pleased to inform you that 407 ETR has received approval from the Board to the construction of a new loop ramp from northbound Ninth Line to westbound 407 ETR. Although we are not obligated to do so under our contract with the Ontario Government, we are proceeding with this \$2.05 million project at this time. This new ramp would serve the residential and commercial traffic generated in that area and is another tangible investment to provide quality service to our customers and the GTA community. The engineering and design work will begin immediately with the goal of having it commissioned and opened in Fall 2009.

With regard to additional ramps, York Region studies show that traffic volumes at the northbound Ninth Line to eastbound 407 ETR ramp and northbound Don Cousens Parkway to eastbound and westbound 407 ETR currently do not support a business case for their construction at this time.

While 407 ETR will not begin construction of these additional ramps this year, we will continue to work with the Region to monitor this issue. I suggest that our staffs meet on an annual basis to review developments. If future studies show that there is sufficient demand to support a business case, we will be pleased to move forward at that time.

In conclusion, 407 ETR and the Regional Municipality of York have enjoyed an excellent relationship since 1999 and we expect to continue to work co-operatively for many more years to come on this and many other matters.

Sincerely,


Antonio de Santiago
President and Chief Executive Officer