



January 21, 2009

International Accounting Standards Board
30 Cannon Street
London, United Kingdom EC4M 6XH

Lise Croteau
Vice President Accounting and control

Hydro-Québec
75, boulevard René-Lévesque west
6th floor
Montreal (Quebec) H2Z 1A4

Re : Comments on Exposure Draft for IFRS 1 Amendment

Dears Sirs :

Hydro-Québec generates, transmits and distributes electricity mainly in the province of Québec in Canada. In Québec, transmission and distribution of electricity are regulated by the Régie de l'énergie, which sets rates on the basis of cost of service.

We endorse the exemption proposed for entities with operations subject to rate regulation to use the carrying amount of items of property, plant and equipment held or previously held, for use in such operations as their deemed cost at the date of transition to IFRSs if both retrospective restatement and using fair value as deemed cost are impracticable. Attached are our detailed responses to the questions posed in the Exposure Draft.

Yours truly,

A handwritten signature in black ink, appearing to read 'Lise Croteau'.

Lise Croteau, FCA