

James Sidlofsky
T 416-367-6277
F 416-361-2751
jsidlofsky@blgcanada.com

Borden Ladner Gervais LLP
Scotia Plaza, 40 King Street W
Toronto, ON, Canada M5H 3Y4
T 416.367.6000
F 416.367.6749
blg.com



April 5, 2011

Delivered by E-mail and Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, Ontario M4P 1E4

Dear Ms. Walli:

**Re: EB-2010-0131
Horizon Utilities Corporation
Application to the Ontario Energy Board for Electricity Distribution
Rates and Charges as of January 1, 2011**

Introduction:

We are counsel to Horizon Utilities Corporation (“Horizon Utilities”) in the above captioned matter. Further to our letter of yesterday’s date, in which we confirmed that Horizon Utilities will present three witness panels at the hearing in this matter, we take this opportunity to confirm the composition of those panels. CVs for all witnesses accompany this letter. Brief opening comments will be followed by a brief examination-in-chief of Panel 1. Examination-in-chief of Panels 2 and 3 will consist primarily of the introduction of the panel members.

Panel 1 will be responsible for the following Exhibits:

- Exhibit 1 – Administration
- Exhibit 2 – Rate Base

It will be comprised of the following individuals:

- John G. Basilio, Senior Vice President and Chief Financial Officer, Horizon Utilities
- Indy J. Butany-DeSouza, Vice President, Regulatory Affairs and Government Relations, Horizon Utilities
- Kathy Lerette, Vice President, Utility Operations, Horizon Utilities
- Sarah Hughes, Vice President, Finance, Horizon Utilities
- Eileen Campbell, Vice President, Customer Services, Horizon Utilities
- Nagendra Subbkrishna, Associate Director - Energy, Navigant Consulting (with respect to Horizon Utilities’ Lead/Lag Study)

Panel 2 will be responsible for the following Exhibit:

- Exhibit 4 – Operating Costs

It will be comprised of the following individuals:

- John G. Basilio
- Indy J. Butany-DeSouza
- Kathy Lerette
- Sarah Hughes
- Eileen Campbell
- Lise Galli, Director, Human Resources and Organizational Development, Horizon Utilities

Panel 3 will be responsible for the balance of the Exhibits, specifically:

- Exhibit 3 – Operating Revenue
- Exhibit 5 – Cost of Capital and Rate of Return
- Exhibit 6 – Calculation of Revenue Deficiency or Surplus
- Exhibit 7 – Cost Allocation
- Exhibit 8 – Rate Design
- Exhibit 9 – Deferral and Variance Accounts

It will be comprised of the following individuals:

- John G. Basilio
- Indy J. Butany-DeSouza
- Sarah Hughes
- Grant Brooker, Manager, Regulatory Compliance, Horizon Utilities
- Bruce Bacon, Senior Utility Rate Design Consultant, Borden Ladner Gervais LLP

CVs for these individuals are enclosed.

Yours very truly,

BORDEN LADNER GERVAIS LLP

Original Signed by James C. Sidlofsky

James C. Sidlofsky

JCS/ac

Encls.

- cc. Keith Ritchie, Ontario Energy Board (electronic version only)
John G. Basilio, Horizon Utilities Corporation (electronic version only)
Indy J. Butany-DeSouza, Horizon Utilities Corporation (electronic version only)
Intervenors of Record (electronic version only)

HORIZON UTILITIES CORPORATION

Curriculum Vitae of John G. Basilio, B. Comm, C.A.

EDUCATION

- 1990 Bachelor of Commerce and Finance
St. Michael's College – University of Toronto
- 1992 Chartered Accountant
Ontario and Canadian Institute of Chartered Accountants

Canadian Institute of Chartered Accountants In-Depth Tax Courses: I,II,III, and Corporate Reorganizations

BUSINESS EXPERIENCE

- 2000 to Present Horizon Utilities Corporation (and predecessors)
Senior Vice President and Chief Financial Officer
- 1996-2000 John Deere Limited(JDL); John Deere Credit Canada
Senior positions in Treasury, Business Development,
Controllershship, and Taxation
- 1993 – 1995 Commcorp Financial Services Inc.
- 1990-1993 Ernst & Young Chartered Accountants

HORIZON UTILITIES CORPORATION

Curriculum Vitae of Indy J. Butany-DeSouza, M.B.A.

EDUCATION

- 2008 Carbon Finance Executive Development Program,
University of Toronto Centre for the Environment
- 1999 Master of Business Administration
McMaster University
- 1996 Honours Bachelor of Science
McMaster University

BUSINESS EXPERIENCE

- July 2009 – Present Horizon Utilities Corporation
Vice- President, Regulatory & Government Affairs
- March 2009 – July 2009 Willis Climate Group
Principal
- August 2008 – March 2009 Carbon Capital Management
Director, Origination and New Products
- 2007-2008 Manager, Strategic Business Development
Direct Energy Consulting
- 2005 – 2007 Manager, Market Development
Direct Energy Business Services
- 2003-2005 Manager, Government & Regulatory Affairs
Direct Energy
- 2002-2003 Manager, Regulatory Compliance and Manager,
Application Projects, EPCOR
- 1999-2002 Consultant
PriceWaterhouseCoopers

HORIZON UTILITIES CORPORATION

Curriculum Vitae of Kathy Lurette, C.E.T.

EDUCATION

- 1997 Electrical Engineering Technologist – Control
Mohawk College
- 1994 Electrical Engineering Technician - Power
Mohawk College

BUSINESS EXPERIENCE

- July 2010 – Present Horizon Utilities Corporation
Vice President, Utility Operations
- 2008 – 2010 Horizon Utilities Corporation
Director Engineering, Operating & Operational Improvement
- 2005 – 2008 Horizon Utilities Corporation
Director, Design and Construction
- 2002 – 2005 Director, Construction and Maintenance Services
Hamilton Hydro Inc.
- 2000 – 2002 Manager, Engineering Design
Hamilton Hydro Inc.
- 1994 – 2000 Engineering Supervisor
Stoney Creek Hydro-Electric Commission
- 1982 – 1994 Various Technical Positions
Stoney Creek Hydro-Electric Commission

PROFESSIONAL REGISTRATIONS

- Member, Ontario Association of Certified Engineering Technicians and Technologists.

HORIZON UTILITIES CORPORATION

Curriculum Vitae of Sarah Hughes, C.A.

EDUCATION

- 2011 Associate in Enterprise Risk Management
The MEARIE Group
- 1990 Chartered Accountant
Institute of Chartered Accountants of Ontario
- 1989 Master of Accounting
University of Waterloo
- 1988 Honours, Bachelor of Arts in Accounting (Co-op)
University of Waterloo

BUSINESS EXPERIENCE

- 2009 – Present Horizon Utilities Corporation
Vice President, Finance
- June 2003 – 2008 Horizon Utilities Corporation
Corporate Controller
- 2000 – 2003 Headline Media Group
Vice President, Finance and Interim CFO
- 1996 – 1999 Cableworks Communications Inc.
Corporate Controller
- 1991 – 1996 Reliable Life Insurance Company
Controller
- 1989 – 1991 Ernst & Young
Audit Senior

PROFESSIONAL REGISTRATIONS

- Member, Institute of Chartered Accountants of Ontario
- Member, Institute of Internal Auditors

HORIZON UTILITIES CORPORATION

Curriculum Vitae of Eileen Campbell

EDUCATION

- 2007 Management Studies
McMaster University
- 2000 Business Applications
Mohawk College
- 1988 Ontario Management Development Program
Mohawk College

BUSINESS EXPERIENCE

- August 1980 – Present Horizon Utilities Corporation, formerly
Hamilton Hydro Inc. & Hamilton Hydro Electric System
- 2006 – Present Vice-President, Customer Services
- 2003 – 2006 Director, Customer Service
- 1998 – 2003 Assistant Credit & Collections Manager
- 1989 – 1998 Management Trainee
- 1980 – 1989 Customer Service Representative

CV OF NAGENDRA SUBBAKRISHNA

Associate Director- Energy, Navigant
1717 Arch Street, Suite 4800
Philadelphia, PA 19103

Education

- MS – Energy Management and Policy, University of Pennsylvania, 1990
- M Sc – Planning, University of British Columbia, Vancouver, Canada, 1988
- B.Sc. (Hons.) and M.Sc., Earth Sciences, Indian Institute of Technology, Kharagpur, India. 1984

Professional History

- Associate Director, Managing Consultant, and Senior Consultant, Navigant, 1997- present
- Energy Efficiency/Associate Rates Analyst, New York Public Service Commission, 1992-1997
- Environmental Analyst, Synergic Resources Corporation, 1990-1991
- Research Fellow, The Wharton School, University of Pennsylvania, 1989-90
- Research Fellow, Faculty of Commerce and Business Administration, University of British Columbia, 1988

Experience

- **Lead-Lag Studies and Working Capital Requirements:**
 - Prepared (or directed the preparation of) over 15-18 lead lag studies and working capital requirements for investor owned utilities in the United States and Canada including Arkansas Oklahoma Gas Company, Central Illinois Lighting Company, Central Illinois Public Service, Commonwealth Edison Company, Great Lakes Power Transmission Ltd., Hydro One Networks Inc., Illinois Power Company, Missouri Gas Energy, Peoples Energy and North Shore Gas Company, Toronto Hydro Electric System Limited (“THESL”), TW Phillips Gas Company and Union Electric Company.
 - Testified on behalf of Central Illinois Public Service Company, Union Electric Company, and Commonwealth Edison Company.
- **Cost of Service, Rates and General Regulatory Support**
 - Assisted with the preparation of evidence on behalf of governmental agencies and investor-owned utilities relating to cost of service and revenue requirements. The evidence was filed with the California Public Utilities Commission (“CPUC”), the Illinois Commerce Commission, and various Municipal Utility Boards.
 - Advised various clients with the regulatory and rate-making aspects of possible mergers, treatment of “found” revenues, and shareholder incentives for energy efficiency and Demand Side Management investment as well as their attendant rate impacts
- **Staff, New York Public Service Commission**
 - Assisted in implementing Commission policy on competition at Rochester Gas and Electric Corporation. Testified before the Commission on the settlement reached with the parties.
 - Contributed to a study on the environmental impacts of restructuring the electric power industry in New York pursuant to the requirements of New York State’s Environmental Quality Review Act (SEQRA).
 - Provided recommendations to the Commission on issues relating to energy efficiency and demand side management and special rate programs such as business expansion, business retention, business incubation, gas market restructuring, and flexible rate contracts between utilities and large customers.
 - Testified before the Commission on the energy efficiency and demand side management programs of Long Island Lighting Company.

HORIZON UTILITIES CORPORATION

Curriculum Vitae of Grant Brooker, C.A.

EDUCATION

- 1988 Institute of Chartered Accountants of Ontario
- 1982 Institute of Chartered Accountants of Saskatchewan
- 1978 Bachelor of Commerce
University of Saskatchewan

BUSINESS EXPERIENCE

- October 2009 to Present Horizon Utilities Corporation
Manager of Regulatory Compliance
- 2005 to October 2009 Brant County Power
Chief Financial Officer
- 1991 - 2005 Brantford Power
Manager of Utility Accounting

BORDEN LADNER GERVAIS LLP
BRUCE BACON

PROFILE

- A Senior Consultant with over thirty years experience in the electricity and natural gas industries evaluating the short and long term financial and pricing impacts of business alternatives.
- Proven record of success in managing the development of cost of service and cost allocation models, delivering presentations to senior management, preparing submission to the Ontario Energy Board (OEB), National Energy Board (NEB) and the Régie de l'énergie (Régie) as well as testifying before the NEB, the OEB and the Régie.
- Highly skilled in training, motivating and influencing staff as well as setting priorities and coaching teams.
- A strong team player, an excellent analyst and an effective communicator with strong interpersonal skills.

Experience

**BORDEN LADNER GERVAIS LLP: SENIOR UTILITY RATE CONSULTANT
November 2007 - Present**

- Assisted 48 electric local distribution companies (“LDCs”) in the preparation of their 2008, 2009, 2010 and 2011 rebased/cost of service rate applications
- Provide ongoing strategic regulatory advice to numerous LDCs within Ontario.

**ELENCHUS RESEARCH ASSOCIATES: SENIOR CONSULTANT
May 2003 – November 2007**

- Assisted 25 LDCs in completing their cost allocation studies.
- Consultant to the OEB in preparing the OEB paper and cost allocation model used by LDCs in their recent cost allocation studies.
- Member of OEB Cost Allocation Working Group.
- Assisted in the preparation of numerous Distribution Rate Applications for over 15 LDCs
- Testified before the OEB supporting LDC Distribution Rate Applications.
- Member of four working groups for OEB 2006 Distribution Rate process.

**ECONALYSIS CONSULTING SERVICES: SENIOR CONSULTANT
1999 to 2003**

- Conducted power pricing studies for generation clients in Ontario.
- Supported the preparation of unbundled Distribution Rate Applications and Retail Transmission Rate Applications for over 30 electric local distribution companies within Ontario.
- Conducted distribution cost allocation studies for Hydro One, Oakville Hydro and St. Catharines Hydro.
- Conducted a cost efficiency study for Festival Hydro, St Thomas Energy and Woodstock Hydro Services.
- Participated on the OEB PBR Distribution Rate Task Force; the OEB Retail Settlement Code Task Force and the OEB Distribution System Code Task Force
- Testified at the OEB Generic Hearing on changes to the implementation of market-based rate of return.
- Prepared evidence and testified at the Régie on transmission rate design for Hydro Quebec.

**ONTARIO HYDRO: MANAGER, MARKETING SERVICES, CONSUMER & SMALL BUSINESS
MARKETS, OHSC
1996 to 1998**

- As a member of the Power Purchasing project, developed working knowledge of power trading and risk management techniques in order to risk manage the purchase of power from the power pool.
- Prepared various position papers for the Market Design Committee (MDC) to address retail market design issues and supported the OHSC representative at the MDC.

**ONTARIO HYDRO: SENIOR ADVISOR - STRATEGIC MARKETING, ONTARIO HYDRO
RETAIL
1995 - 1996**

- Directed a province wide team to develop a service charge and energy rate structure for 960,000 Ontario Hydro Retail customers.
- Assisted in the review of cost efficiency gains by rationalizing the operations of over 48 individual local Rural Area office structures.

**ONTARIO HYDRO: STRATEGIC ADVISOR - RETAIL RATES AND FORECASTS, RETAIL
SYSTEM
1990 - 1995**

- Responsible for setting and gaining approval of retail rates for 960,000 residential and small business customers.
- Provided analytical support to the 1994 Joint Study into Retail Electricity Service in Ontario.

**TRANSCANADA PIPELINES LTD: SUPERVISOR, PIPELINE COST ANALYSIS
1988 - 1990**

- Directed the preparation of long-term financial/rate impact studies submitted to the NEB for a \$1.2 billion and a \$2.5 billion pipeline expansion program.
- Testified before the NEB supporting the impact studies.
- Gained extensive knowledge of the supply and transmission business in the regulated natural gas industry.

**TRANSCANADA PIPELINES LTD: ASSISTANT SUPERVISOR, PIPELINE COST ANALYSIS
1986 - 1988**

- Supervised the system development of TransCanada's financial and rate forecasting model.

EDUCATION

Marketing Management Program
Ivey Business School, London, 1997

B.Sc. Mathematics
York University, Toronto, 1979