



EB-2011-0367

**NOTICE OF APPLICATION AND WRITTEN HEARING FOR
SALE OF DISTRIBUTION ASSETS FROM
PORT COLBORNE HYDRO INC. TO CANADIAN NIAGARA POWER INC.**

The Application

Port Colborne Hydro Inc. ("Port Colborne" or the "applicant"), a licensed electricity distributor filed an application with the Ontario Energy Board on October 19, 2011, under section 86(1)(a) of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B) (the "Act"). In the application, Port Colborne seeks leave of the Board to sell its existing distribution system in its entirety to Canadian Niagara Power Inc. ("CNPI").

Pursuant to a lease agreement between the parties, implemented on April 15, 2002 and expiring on April 15, 2012, CNPI currently operates the applicant's electricity distribution facilities within the City of Port Colborne. At the end of the lease, CNPI has the right to purchase the distribution assets included in the lease and assume complete ownership and operation of the existing distribution system in Port Colborne. CNPI advised Port Colborne that it wishes to exercise this right and purchase the assets included in the lease and continue serving customers in Port Colborne.

The applicant states that the proposed transfer of the distribution assets will be rate neutral.

The applicant states all transaction costs will be borne by CNPI and, at CNPI's next cost of service rate application, CNPI will only seek approval to include the net book value of the transferred assets in its rate base. CNPI - Port Colborne rebased in 2009 and CNPI – Port Colborne's next cost of service distribution rate application will be in 2013.

Should the proposed transaction receive Board approval, Port Colborne states that it wishes to still maintain its electricity distribution licence.

How to see Port Colborne's Application

Copies of the application are available for inspection at the Board's office in Toronto and on its website, www.ontarioenergyboard.ca/OEB/Industry, and at Port Colborne's and CNPI's offices and on its websites.

Written Hearing

The Board intends to proceed with this matter by way of a written hearing unless a party satisfies the Board that there is a good reason for not holding a written hearing. If you object to the Board holding a written hearing in this matter, you must provide written reasons why an oral hearing is necessary. Any submissions objecting to a written hearing must be received by the Board and copied to the applicant within **10 days** of the publication or service date of this notice.

How to Participate

You may participate in this proceeding in one of three ways:

1. Become an Intervenor

Intervenors participate actively in the proceeding (i.e., submit written questions, evidence, and arguments, and cross-examine witnesses at an oral hearing). A request for intervenor status must be made by letter of intervention and be received by the Board no later than **10 days** from the publication or service date of this notice. A letter of intervention must include: (a) a description of how you are, or may be, affected by the outcome of this proceeding; (b) if you represent a group, a description of the group and its membership; and (c) whether you intend to seek an award of costs and the grounds for your cost award eligibility.

You must provide a copy of your letter of intervention to the applicant.

Everything an intervenor files with the Board, including the intervenor's name and contact information, will be placed on the public record, which means that all filings will be available for viewing at the Board's offices and will be placed on the Board's website.

If you already have a user ID, please submit your intervention request through the Board's web portal at www.errr.ontarioenergyboard.ca. Additionally, two paper copies must be submitted to the address set out below.

If you do not have a user ID, visit the Board's website under e-Filing Services and complete a user ID/password request form. For instructions on how to submit documents and naming conventions please refer to the RESS Document Guidelines found at www.ontarioenergyboard.ca/OEB/Industry, e-Filing Services.

The Board also accepts interventions by e-mail, at the address below, and again, two additional paper copies are required. Those who do not have internet access are required to submit their intervention request on a CD in PDF format, along with two paper copies.

2. Send a Letter with your Comments to the Board

If you wish to comment on the proceeding without becoming an intervenor, you may submit a letter of comment to the Board Secretary.

All letters of comment sent to the Board will be placed on the public record, which means that the letters will be available for viewing at the Board's offices and will be placed on the Board's website.

Before placing the letter of comment on the public record, the Board will remove any personal (i.e., not business) contact information from the letter of comment (i.e., the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the letter of comment will become part of the public record.

A complete copy of your letter of comment, including your name, contact information, and the content of the letter, will be provided to the applicant and the Hearing Panel.

Your letter of comment must be received by the Board no later than **30 days** from the publication or service date of this notice. The Board accepts letters of comment by either post or e-mail at the addresses below.

3. Become an Observer

Observers do not participate actively in the proceeding but receive documents issued by the Board in the proceeding. There is no fee for observers to receive documents issued by the Board.

A request for observer status must be made in writing and be received by the Board no later than **10 days** from the publication or service date of this notice. The Board accepts observer request letters by either post or e-mail at the addresses below.

All letters requesting observer status will become part of the public record, which means that the letters will be available for viewing at the Board's offices and will be placed on the Board's website.

Before placing the request for observer status on the public record, the Board will remove any personal (i.e., not business) contact information from the request (i.e., the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the request for observer status will become part of the public record.

Observers may also request documents filed by the applicant and other parties to the proceeding but must request these documents directly from the relevant party. Observers may be required to pay for the costs of reproducing and delivering the material.

Most documents filed in this application will also be available on the Board's website.

How to Contact Us

In responding to this Notice, please reference Board file number EB-2011-0367 in the subject line of your e-mail or at the top of your letter. It is also important that you provide your name, postal address and telephone number and, if available, an e-mail address and fax number. All communications should be directed to the attention of the

Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

Need More Information?

Further information on how to participate may be obtained by visiting the Board's www.ontarioenergyboard.ca/OEB/Industry or by calling our Consumer Relations Centre at 1-877-632-2727.

IMPORTANT

IF YOU DO NOT FILE A WRITTEN SUBMISSION OBJECTING TO A WRITTEN HEARING OR DO NOT PARTICIPATE IN THE HEARING BY FILING WRITTEN SUBMISSIONS IN ACCORDANCE WITH THIS NOTICE, THE BOARD MAY PROCEED WITHOUT YOUR PARTICIPATION AND YOU WILL NOT BE ENTITLED TO FURTHER NOTICE IN THIS PROCEEDING.

Addresses

The Board:

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Attention: Board Secretary
Filings:
<https://www.errr.ontarioenergyboard.ca/>

E-mail: boardsec@ontarioenergyboard.ca
Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

The Applicant:

Port Colborne Hydro Inc.
66 Charlotte Street
Port Colborne ON L3K 3C8
Attention: Mr. Leonard Hunt

E-mail: lenhunt99@cogeco.ca
Tel: (905) 835-2900

DATED at Toronto, November 24, 2011

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary