



EB-2018-0270

**Hydro One Networks Inc.
Orillia Power Distribution Corporation**

**Application for approval to purchase all issued and
outstanding shares of Orillia Power Distribution
Corporation**

**PROCEDURAL ORDER NO. 1
December 19, 2018**

Hydro One Networks Inc. filed an application on September 26, 2018, under section 86(2)(b) of the *Ontario Energy Board Act, 1998, S.O. 1998, c. 15, (Schedule B) (Act)*, requesting approval for Hydro One Inc. to purchase all of the shares of Orillia Power Distribution Corporation (Orillia Power). As part of the share purchase, Orillia Power and Hydro One Networks Inc. requested the OEB's approval of the following related transactions/proposals:

- Leave for Hydro One Inc. to acquire all the issued and outstanding shares of Orillia Power, under section 86(2)(b) of the Act
- Leave for Orillia Power to dispose of its distribution system to Hydro One Networks Inc., under section 86(1)(a) of the Act
- Cancellation of the electricity distribution licence of Orillia Power upon the disposal of its distribution system to Hydro One Networks Inc., under section 77(5) of the Act
- Amend Hydro One Networks Inc.'s electricity distribution licence to include the service territory of Orillia Power
- Transfer of Orillia Power's rate order to Hydro One Networks Inc., under to section 18 of the Act
- Approval to include a rate rider to Orillia Power's approved rate schedules to give effect to a 1% reduction relative to the Base Distribution Delivery Rates for the first five years of the deferred rebasing period, under section 78 of the Act

- Update Orillia Power's Specific Service Charges to align with the Specific Service Charges that are, or will be, approved for Hydro One Distribution, under section 78 of the Act
- Upon integration, approval for Hydro One Inc. to transfer the assets and liabilities of the electricity distribution business from Orillia Power to Hydro One Networks Inc.
- Approval for Hydro One Networks Inc. to establish a new deferral account to record the costs of the earnings sharing mechanism

The OEB issued a Notice of Hearing on November 23, 2018. Each of Power Workers Union (PWU), Energy Probe Research Foundation (Energy Probe), School Energy Coalition (SEC), Vulnerable Energy Consumers Coalition (VECC), and Consumers Council of Canada (CCC) applied for intervenor status. Energy Probe, SEC, VECC, and CCC also applied for cost eligibility.

No objections were received from the applicants.

PWU, Energy Probe, SEC, CCC, and VECC are approved as intervenors. Energy Probe, CCC, VECC, and SEC are eligible to apply for an award of costs under the OEB's *Practice Direction on Cost Awards*.

The list of parties in this proceeding is attached as Schedule A to this Procedural Order.

Cost eligible intervenors should be aware that the OEB will not generally allow the recovery of costs for the attendance of more than one representative of any party, unless a compelling reason is provided when cost claims are filed.

Intervention requests of Mr. Frank Kehoe, Ms. Dael Morris and Mr. Maurice McMillan

The OEB also received requests for intervenor status from Mr. Frank Kehoe, Ms. Dael Morris and Mr. Maurice McMillan. The OEB requires additional information from Mr. Frank Kehoe, Ms. Dael Morris and Mr. Maurice McMillan before it can make a decision on their respective intervention requests. Accordingly, Mr. Frank Kehoe, Ms. Dael Morris and Mr. Maurice McMillan are approved as intervenors on a provisional basis and until such time that the OEB can make a final determination on the matter. If Mr. Kehoe, Ms. Morris and Mr. McMillan wish to intervene they must provide the following additional information in relation to their respective intervention requests no later than January 7, 2019:

- description of how you are, or may be, affected by the outcome of this proceeding;
- the nature and scope of your intended participation; and
- whether you intend to seek an award of costs and the grounds for your eligibility.

Please refer to the OEB's website for additional direction on how to register as an intervenor: <https://www.oeb.ca/industry/applications-oeb/intervenor-information>.

If the OEB does not receive the requested information by January 7, 2019, the OEB will withdraw provisional intervenor status.

SEC Motion

On October 16, 2018, SEC filed a Notice of Motion for an order dismissing the application on the grounds that the application seeks "the exact same relief and requires a redetermination of the same issues that have already been determined by the Board and is, as a matter of law, *res judicata*, vexatious, and an abuse of power."

The OEB has determined that it will proceed to hear the motion. At a later date the OEB will make a determination on whether it wishes to hear a portion of the motion orally or complete the motion in writing.

At this time, provision will be made for the filing of documentary materials and evidence in relation to the motion. The OEB may issue further procedural orders from time to time.

IT IS THEREFORE ORDERED THAT:

1. SEC shall file with the OEB and deliver to all parties any additional material that it wishes to rely on at the hearing of its motion, on or before **January 7, 2019**.
2. Parties that support the motion shall file with the OEB and deliver to all other parties, any material that they wish to rely on at the hearing of the motion on or before **January 11, 2019**.
3. Parties that oppose the motion shall file with the OEB and deliver to all other parties, any material that they wish to rely on at the hearing of the motion on or before **January 16, 2019**.

All filings to the OEB must quote the file number, **EB-2018-0270** and be made electronically in searchable/unrestricted PDF format through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>. Two paper copies must also be filed at the OEB's address provided below. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <http://www.oeb.ca/OEB/Industry>. If the web portal is not available parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD or USB in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

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.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Andrew Bishop at Andrew.Bishop@oeb.ca, and OEB Counsel, Michael Millar at Michael.Millar@oeb.ca.

ADDRESS

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P.O. Box 2319
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Attention: Registrar

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Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

DATED at Toronto, December 19, 2018

ONTARIO ENERGY BOARD

By delegation, before: Rudra Mukherji

Original signed by

Rudra Mukherji
Associate Registrar

SCHEDULE A
PROCEDURAL ORDER NO. 1
LIST OF PARTIES
HYDRO ONE NETWORKS INC.
ORILLIA POWER DISTRIBUTION CORPORATION
EB-2018-0270
December 20, 2018

**Hydro One Networks Inc.
EB-2018-0270**

APPLICANT & LIST OF INTERVENORS

December 20, 2018

APPLICANT

Rep. and Address for Service

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EB-2018-0270**

APPLICANT & LIST OF INTERVENORS

December 20, 2018

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Corporation**

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EB-2018-0270**

APPLICANT & LIST OF INTERVENORS

December 20, 2018

INTERVENORS

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APPLICANT & LIST OF INTERVENORS

December 20, 2018

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APPLICANT & LIST OF INTERVENORS

December 20, 2018

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**Vulnerable Energy
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