



EB-2008-0342
EB-2008-0343

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O.1998, c. 15, Schedule B;

AND IN THE MATTER OF an application by Great
Lakes Power Limited for an electricity distribution
licence and an electricity transmission licence.

By delegation, before: Jennifer Lea

DECISION AND ORDER

Great Lakes Power Limited filed applications dated October 20, 2008 with the Ontario Energy Board under section 60(1) of the *Ontario Energy Board Act*, 1998 for renewal of its electricity distribution and electricity transmission licences.

The Board's Notice of Application and Written Hearing for an electricity distribution licence was published on December 15, 2008. Dubreuil Forest Products Limited, as the applicant's embedded distributor, was served the Notice on December 11, 2008. The Board's Notice of Application and Written Hearing for an electricity transmission licence was published on December 17, 2008.

In a letter dated December 29, 2008, Algoma Coalition responded to the Notices. Algoma Coalition proposed that each of the applicant's electricity distributor and electricity transmission licences be granted or renewed with the added condition that the applicant be required "to conduct annual stakeholder meetings with major customers and with the Algoma Coalition."

The applicant filed a reply submission on January 8, 2009. The applicant submitted that it does not agree that the proposed condition be added to the two licences.

FINDINGS

The Algoma Coalition's proposal of an annual stakeholder meeting requirement arose from another proceeding, an application for transmission rates. It was agreed to as part of a settlement of issues in that case. The applicant submitted that it has fulfilled its commitment with respect to the matter, the condition proposed by the Algoma Coalition is not included in the licence of any other electricity distributor or transmitter in Ontario, and that the Algoma Coalition has not demonstrated that there have been any deficiencies in the applicant's communications with its stakeholders or any other reason that warrants such a condition being added to the licence.

The Board agrees with the applicant. The fact that the parties agreed to this condition as part of a settlement in a previous proceeding does not mean that this condition should be added as a condition in GLPL's licences. I do not find that there are any circumstances surrounding the utility or its behaviour in regard to settlements reached in its rate cases that persuade me that such a unique condition should be added to the licences. I do not find that it is desirable in this case to use a licence condition as an enforcement tool for a provision in a settlement agreement.

GLPL is licensed as a distributor, transmitter, and generator. Section 71 of the *Ontario Energy Board Act, 1998* states that a "transmitter or distributor shall not, except through one or more affiliates, carry on any business activity other than transmitting or distributing electricity." However, GLPL had an exemption from section 71 of the Act until December 31, 2008. GLPL is currently in the process of bringing itself into compliance with section 71 of the Act by filing a number of licence and MAADs applications. If approved, those applications may result in the cancellation of the licences being issued under this Decision and Order. While I find that it is in the public interest to issue the electricity distribution and electricity transmission licences under Part V of the Act to ensure the continued reliable supply of electricity, I find that instead of the standard 20 year term for the licences, the licences will be issued for a two year term. It is expected that the reorganization of GLPL in order to comply with section 71 of the Act will be completed well within that timeframe.

IT IS THEREFORE ORDERED THAT:

The applications for an electricity distribution licence and an electricity transmission licence are granted, on such conditions as are contained in the attached licences.

DATED at Toronto, February 2, 2009.

ONTARIO ENERGY BOARD

Original signed by

Jennifer Lea
Counsel, Special Projects