



EB-2009-0080

NOTICE OF APPLICATION AND WRITTEN HEARING

Application by Hydro One Networks Inc. and Clinton Power Corporation for Licence Amendments and Sale of Distribution Assets

The Application

Hydro One Networks Inc. ("Hydro One") and Clinton Power Corporation ("Clinton Power") have filed a joint application with the Ontario Energy Board under the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B, for an order of the Board:

- (a) amending the distribution service areas of Hydro One and Clinton Power to reflect the transfer of one customer from Hydro One to Clinton Power; and
- (b) approving the sale from Hydro One to Clinton Power of distribution assets necessary in serving the customer proposed to be transferred from Hydro One to Clinton Power.

The Board has assigned file number EB-2009-0080 to the application. The application will be decided by the Counsel, Special Projects, who has been delegated this authority pursuant to section 6 of the Act. The Counsel, Special Projects, does not intend to provide for an award of costs when deciding this application.

Section 6.5.4 of the Distribution System Code

Section 6.5.4 of the DSC deals with long term load transfer ("LTLT") arrangements. A load transfer is a situation in which a customer is located in the licensed service area of one distributor (the "geographic distributor") but is physically served electricity by another distributor (the "physical distributor"). Section 6.5.4 of the DSC requires

geographic distributors to eliminate their LTLT arrangements before January 31, 2009. This can be accomplished by either negotiating the transfer of the customers to the physical distributor or by the geographic distributor extending its system to connect the customers.

Service Area Amendments

According to the application, the service area amendment is being sought in order to eliminate the LTLT arrangement between Hydro One and Clinton Power through the transfer of one customer to the physical distributor. The applicant states that the service area amendment is the most cost efficient approach to eliminate this existing LTLT arrangement.

The customer proposed to be transferred to Clinton Power is currently located within Hydro One's service area but physically supplied by Clinton Power. Presently, the customer is considered a Hydro One customer and is charged Hydro One's rates. The proposed amendment, if granted, will result in the customer becoming a customer of Clinton Power and being subject to Clinton Power's distribution rates which are lower than Hydro One's distribution rates according to the application. The customer is located at 80212 Baseline Road in the former Township of Hullett now in the Municipality of Central Huron.

Sale of Distribution Assets

Hydro One is seeking approval to sell certain assets that are part of its distribution system to Clinton Power. The assets will continue to be used to serve the same customer presently served by the assets. According to the application, the proposed sale of the distribution assets facilitates the elimination of the LTLT arrangement between Hydro One and Clinton Power. A net book value of \$25.70 including GST has been assigned to the assets according to the application. The application states Clinton Power has agreed to purchase these assets for their net book value.

How to See Hydro One and Clinton Power's Pre-filed Evidence

Copies of the application and the pre-filed evidence in support of the application will be available for public inspection at the Board's office, at the address indicated below.

Copies can also be viewed at Hydro One's office and Clinton Power's office at the addresses indicated below.

How to Participate in the Hearing

The application will be decided by way of written hearing unless a party satisfies the Board that there is good reason for holding an oral hearing. If you object to a written hearing in this matter, you must provide written reasons why an oral hearing is necessary. Any objections to a written hearing must be received by the Board and copied to the applicant within 10 days of the date this notice was served.

If you wish to participate in the written hearing, please file a written submission setting out your views on the application with the Board and deliver it to the applicant no later than 21 days after the date this notice was served.

If the applicant wishes to respond to the submission(s), the written response must be filed with the Board and delivered to any party that made submissions no later than 28 days after the date this notice was served.

How to File Documents with the Board

If you already have a user ID, please submit your submission through the Board's web portal at www.errr.oeb.gov.on.ca. Additionally, two paper copies are required. For instructions on how to file and naming conventions, please refer to the RESS Document Guidelines found at www.oeb.gov.on.ca, e-Filing Services. Those who do not have internet access are asked to submit their submission on a CD or diskette in PDF format, along with two paper copies. You may also send your submission by post or e-mail to the addresses below.

In responding to this Notice, please include Board file number EB-2009-0080 in the subject line of your e-mail or at the top of your document. 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 Web site at www.oeb.gov.on.ca or by calling our Consumer Relations Centre at 1-877-632-2727.

IMPORTANT

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

ADDRESSES**The Board**

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The Applicant

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DATED at Toronto March 18, 2009

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary