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pembroke, ontario K8A 6Y6
tel: (613) 732-3687 – fax: (613) 732-9838
web: www. orpowercorp.com

January 9, 2009

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge St.
Toronto, ON M4P 1E4

Dear Ms. Walli:

**RE: Service Area Amendment Application
Proposed Sadler Subdivision
Almonte Ward, Town of Mississippi Mills**

Please accept this letter as a request for a Service Area Amendment for the Distribution Licence #ED-2003-0033 of Ottawa River Power Corporation.

The attached document provides the information in accordance with EB-2006-0327 in support of the application (five copies and PDF file).

The area covered was outside the boundaries of the Village of Almonte in 2000 and, therefore, by default within the service area of Hydro One Networks. The application is not supported by Hydro One Networks.

If I can provide any additional information, please contact the undersigned.

Yours truly,

Douglas Fee, P.Eng.
President

Attach.
Cc Mike Ritchie, HONI

\\Orpc2\Reference Documents and Files\ORPC Files\Utility\U03-Projects\Sadler Estates-Almonte\OEB Application Cover.doc

“A Proud Locally Owned Municipal Utility”

**Application to the Ontario Energy Board
for Service Area Amendment
for Ottawa River Power Corporation
January 8, 2009**

1. Background

Ottawa River Power Corporation (ORPC) is an LDC in the Province of Ontario (License ED-2003-0033) delivering power to 10,500 customers in Beachburg, Killaloe, Almonte and Pembroke.

This Service Area Amendment application to the Board is for a portion of lands in the Almonte Ward that have recently been expanded by the Town of Mississippi Mills. The distribution license ED-2003-0033 of ORPC describes the service area in this area as the “former Town of Almonte as of December 31, 1997.” Municipal amalgamations in the area amalgamated the former Town of Almonte, Townships of Ramsay and Pakenham and the Village of Pakenham into the new Town of Mississippi Mills. The former town of Almonte became Almonte Ward within the newly expanded town.

Prior to 1998, with the exception of the Town of Almonte which was served by Almonte Hydro, the area was, for the most part, rural and served by Ontario Hydro.

Housing growth in Almonte prompted Council to expand the designated development area for Almonte and the redefining of Almonte Ward (Figure 1).

On April 21, 2008, ORPC made application to the Board for a licence area amendment for part of the Almonte Ward expansion that was being developed by Houchaimi Holdings. That parcel was bounded by: ORPC’s existing service area to the northwest, the Mississippi River to the southwest, Patterson Street to the northeast, and the limits of the proposed ward expansion to the southeast (Figure 2). The amendment was approved by the Board on May 27, 2008 (Board File EB-2008-0094).

This application is for an area in another part of the expanded Almonte Ward that is being developed as a residential area (Sadler Estates) by 2000396 Ontario Inc. (owned by Mr. Wilson Bassile). The area is shown on Figure 1.

2. Basic Facts

2.1. Applicant

| | |
|--------------------------------|--|
| Ottawa River Power Corporation | 283 Pembroke St. W Pembroke, ON K9A 6Y6 Douglas Fee, President Tel: 613-732-3687 Fax: 613-732-9838 dfee@orpowercorp.com |
|--------------------------------|--|

2.2. Incumbent

| | |
|--------------------|--|
| Hydro One Networks | Blair Macdonald Sr. Regulatory Advisor Regulatory Applications Hydro One Networks Tel: 416-345-5067 Fax: 416-345-5866 blair.macdonald@HydroOne.com |
|--------------------|--|

2.3. Affected Landowners

| | |
|----------------------|--|
| 2000396 Ontario Inc. | Mr. Wilson Bassile 430 Ottawa Street, 2 nd Floor Almonte, ON K0A 1A0 Tel: 613-256-5717 Fax: 613-256-1578 |
|----------------------|--|

2.4. Alternate Distributors

There are no other distributors in the area.

3. Proposed Service Area Expansion

The proposed service area is the expanded area of Almonte Ward that is to be developed by 2000396 as the Sadler Estates Development bounded by Appleton Side Road to the northeast, Ottawa Street Commercial zone to the southeast, Town of Almonte to the southwest and rural farm land to the northwest.

This application is for the lands outlined in red on Figure 1.

4. Efficiency Rationalization

The initial phase of the Sadler Estates development by 2000396 Ontario Inc., consisting of approximately 81 units, can be supplied without any additional reinforcement from the existing ORPC distribution system that is immediately adjacent to the proposed development. Only minimum reinforcement of the upstream system will be required for the entire development of approximately 440 units.

In the case of these lands, ORPC has distribution facilities with a three-phase feeder immediately adjacent to the entrance of the development lands on Ottawa Street and Menzie Street.

5. Description of Impacts

The lands are presently vacant fallow farm land. The one building on the property is the original farm homestead of Carl Sadler that is currently, and has been historically, supplied by Ottawa River Power and its predecessor, utility Almonte Hydro. It would appear that the farm was connected to the Almonte Hydro supply due to its proximity to the village and the fact that there was no HEPC of Ontario supply in the area.

Both ORPC and HONI have lines on the border of the development. HONI has feeders located on Ottawa Street and on the Appleton Side Road. A request was made to HONI for their support in this application; however, it was declined. As indicated in the attached e-mail document, HONI feels that they have system capacity to supply the development.

6. Customer Preference

The lands proposed for inclusion in the redefined service area for Ottawa River Power consists of vacant lands owned by one developer. A letter is attached indicating support for service to be provided by Ottawa River Power (Attachment 5).

In addition, the Council of the Town of Mississippi Mills supports the application. As a shareholder of Ottawa River Power Corporation, they would benefit from the added customer base and the dividends that would be returned to the community (Attachment 6).

7. Additional Information for Contested Applications

This application for amendment of the service area of Ottawa River Power is not supported by Hydro One Networks, the incumbent default supplier for Ontario.

While the Decisions with Reasons, from PR-2003-0044, indicates the primary consideration when accessing requests for service area amendments should be the economic efficiency measured in terms of capital costs to connect, we believe with existing facilities of both HONI and ORPC being adjacent to the property that connection costs for both companies will be relatively the same.

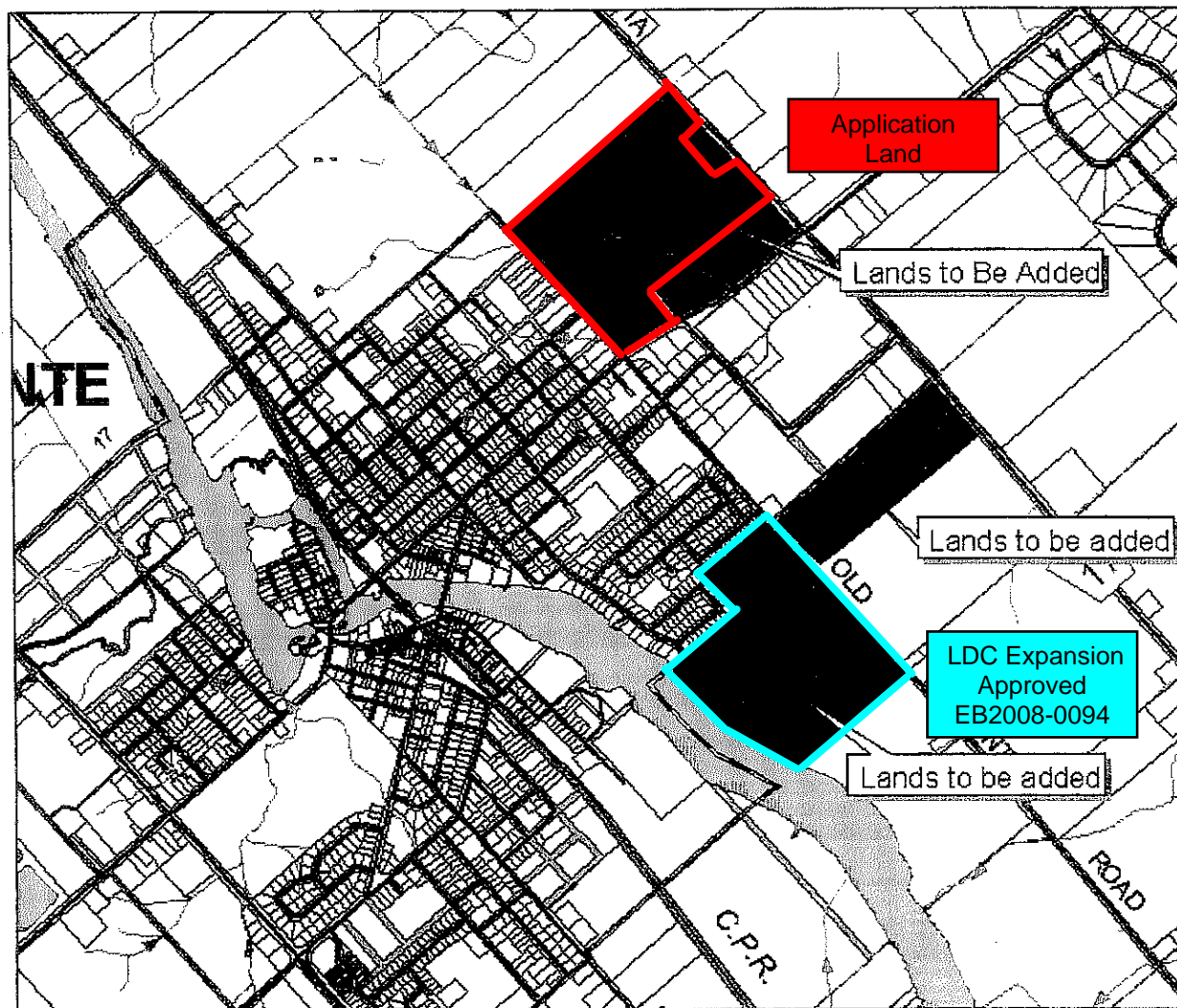
The argument that we propose to put forward is that this expansion of the ORPC service area should be done in conjunction with the expansion of Almonte for the following reasons:

1. The municipal expansion into the undeveloped vacant land will allow for the urban expansion of Almonte. Water and sewer services will be expanded from the existing village as should the hydro service.
2. Service by two hydro utilities in the same urban area is a source of confusion for customers.
3. Due to the density, customers will benefit from the lower LDC rates.
4. ORPC is a community based corporation with a local office and service crew to serve the community.
5. The area licencing of the province for LDC's in 1999 did not allow for the fact that urban areas would grow into vacant lands and that the natural evolution should be that the LDC would grow with development. The default assignment for HONI to serve all lands other than those served by LDC's does not recognize the reality of growth.
6. The Sadler Estates Development is the largest part of the farm originally owned by Carl Sadler which has always been served by Almonte Hydro and Ottawa River Power.
7. This is the second of the three development expansion areas of Almonte that is now proceeding. A service area amendment was granted for the first development area with the support of HONI. For consistency in supply, this area and, as well, the future third area should have the same supplier.
8. In 2004, the commercial zone along the northwest side of Ottawa Street started to develop with the construction of a Tim Hortons outlet. Ottawa River Power entered into discussions with Hydro One to allow the supply of this area from existing facilities. Ultimately, the discussions failed and Hydro One constructed the Ottawa Street line to supply Tim Hortons and three subsequent businesses.
9. This is more a timing issue than supply issue. As former Almonte Mayor and present ORPC Board director Paul Finner indicated, had the Almonte village been expanded at the time of the village expansion for the industrial park area on the southeast side of Ottawa Street, this would not be an issue today.

ALMONTE WARD BOUNDARY EXPANSION AS PER COMMUNITY OFFICIAL PLAN



Mississippi
Mills

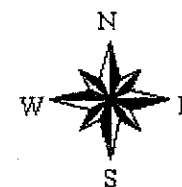


Boundaries

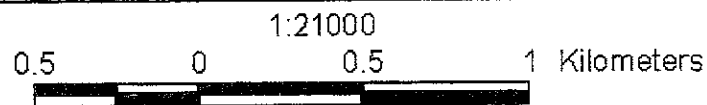
- Lot Lines
- Hamlet Boundary
- Ward Boundary
- Municipal Boundary

Streams

- Intermittent
- Permanent
- Transmission Lines
- Railway Centreline
- MMILLS ROAD SEGMENT DATABASE
- Railway Right of Way
- Roads
- Unopened Right of Way
- Double line shore
- Crown Land
- Parcels



Attachment 1

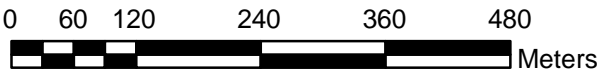
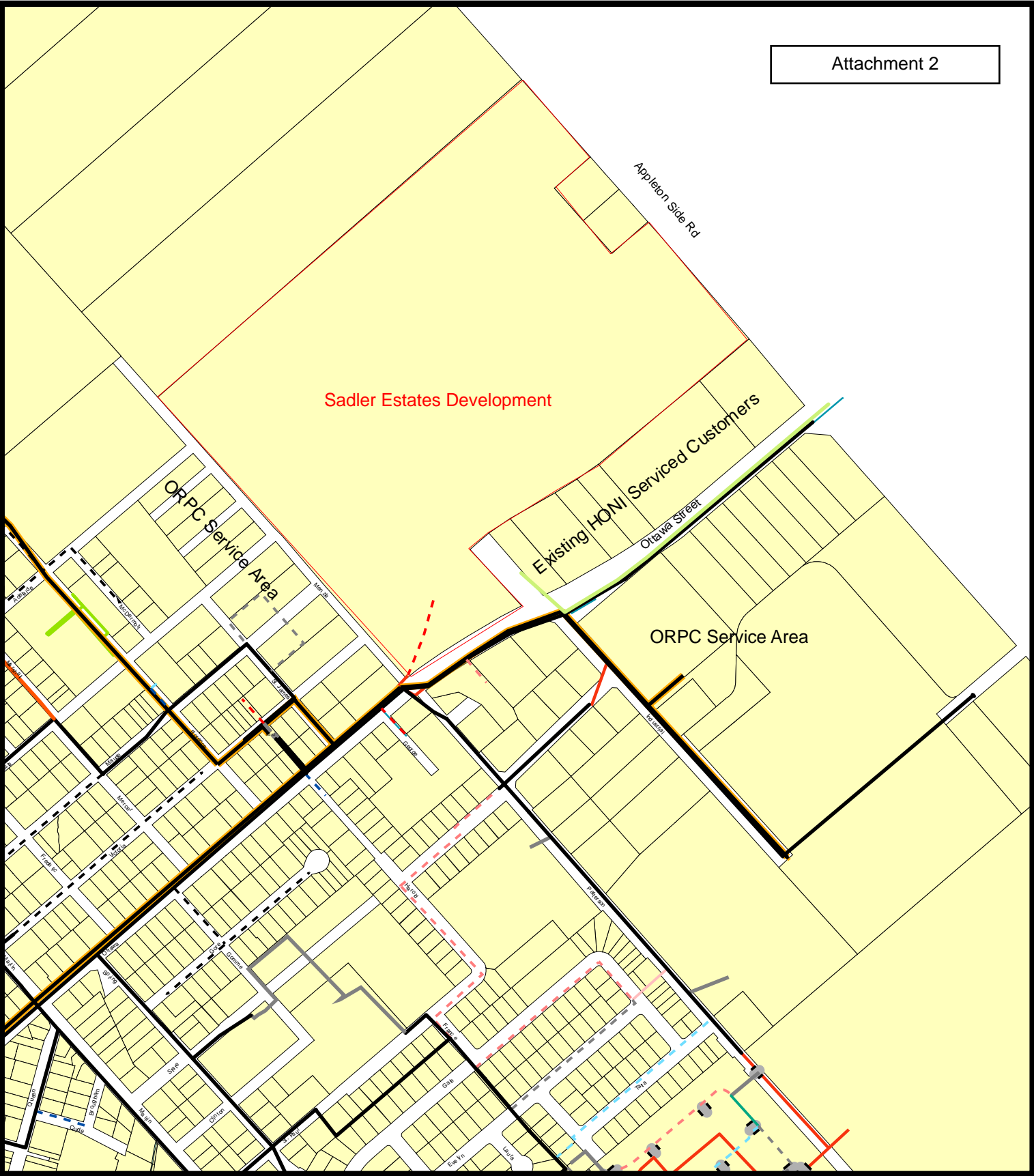


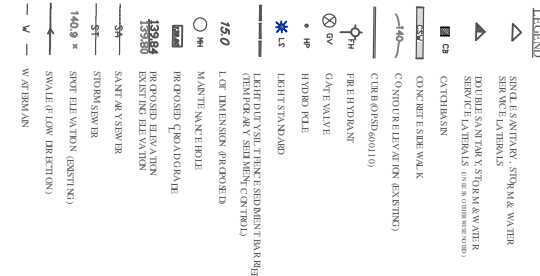
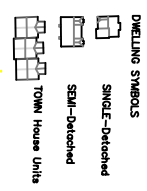
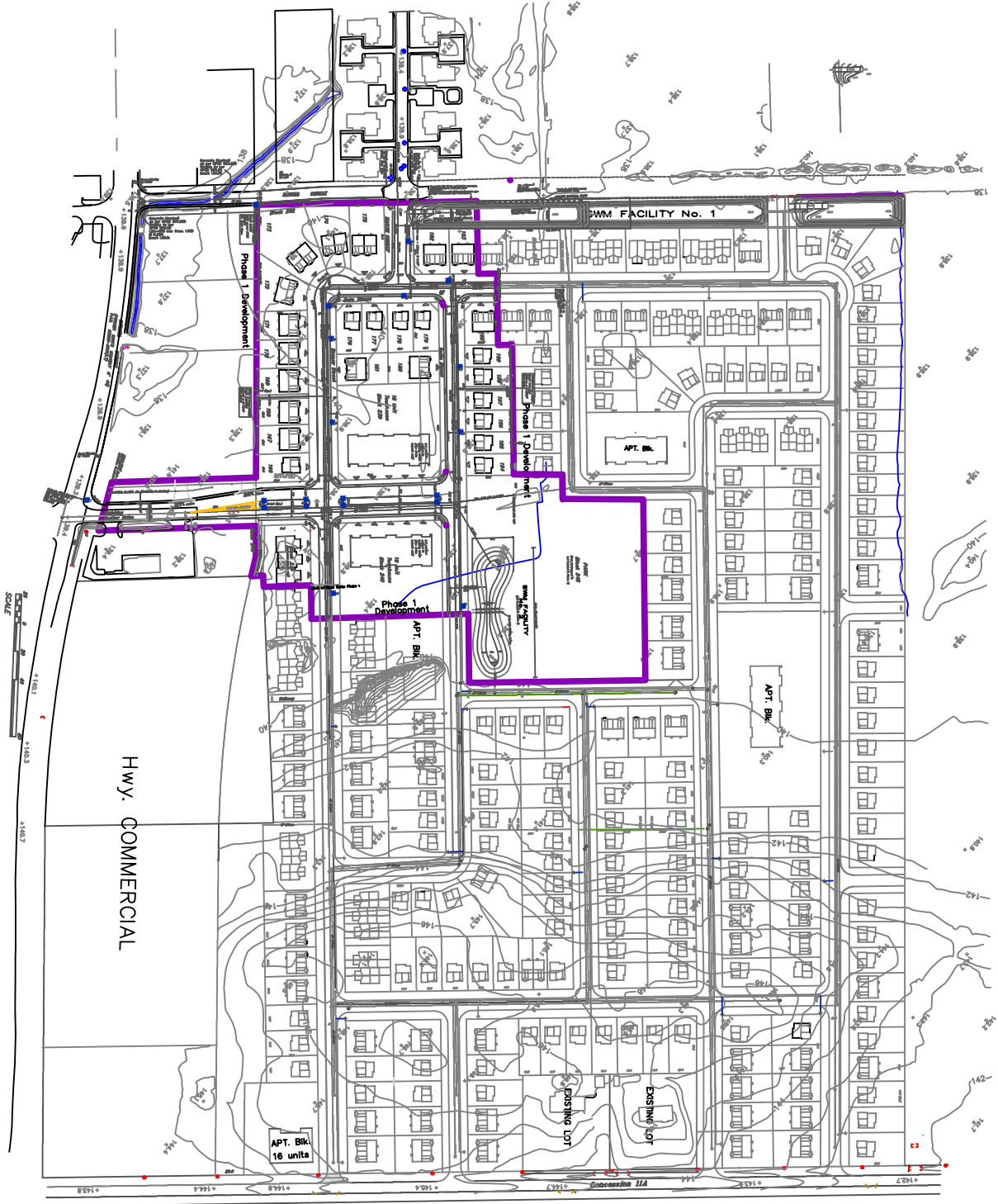
Sadler Estates Development

Existing HONI Served Customers

ORPC Service Area

ORPC Service Area





SAI
ENGINEERING

STIDWILL ASSOCIATES INC.

KANATA, ON
www.saiengineering.ca
TEL: (613) 271-1341
FAX: (613) 271-1358

DESIGNED: JS
DRAWN: JMS
CHECKED: JS
APPROVED: [Signature]
SCALE: 1:1500

REVISIONS

| NO. | DATE | BY | REVISIONS |
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SADLER ESTATES - Plan of Subdivision
CENTRE-TOWN RESTORATION (1994) LIMITED

Overall Master Servicing Plan

DATE: May 08
PROJECT: 04-02-011
DRAWING: 02

02

Doug Fee

From: mike.ritchie@hydroone.com
Sent: October 17, 2008 12:38 PM
To: Doug Fee
Cc: mike.ritchie@hydroone.com
Subject: RE: Almonte Area Expansion - Sadler Estates

Doug

A conference call was held on this subject which was represented by our Regulatory group as well as Distribution Lines (including Ashley LeBel on-site in Almonte).

While we agree that the lands are contiguous with Almonte, they are also contiguous with Hydro One's service territory at a location where we have existing 3-phase service. As such, this development differs from the previous application, where Hydro One was somewhat distant from a 3-phase supply. In fact, the service to this specific part of our service territory was reinforced in anticipation of the growth that would take place on the periphery of Almonte. In addition, we are in the process of adding a feeder to relieve one of the feeders providing service to this area, and this action will release capacity to serve this development.

As it stands, we have a number of options for supplying a development in this area. The OEB has been clear in prior decisions that economics drive these decisions. Therefore, we find that we cannot entertain supporting you in your application for a Service Area Amendment.

I appreciate this is not the answer you were looking for. If you have any further questions regarding this matter, I will be pleased to assist.

Michael Ritchie
Hydro One Networks
(613) 274-6327

From: Doug Fee [mailto:dfee@orpowercorp.com]
Sent: Tuesday, October 14, 2008 1:43 PM
To: RITCHIE Michael
Subject: Almonte Area Expansion - Sadler Estates

Hi Mike

Here is the information on the development in Almonte.

Regards

Doug <<M Ritchie.pdf>>

Douglas Fee P.Eng.
President
Ottawa River Power Corp.
283 Pembroke St W.
Pembroke ON K8A 6Y6
E-mail: dfee@orpowercorp.com

01/12/2008

2000396 ONTARIO INC.

430 Ottawa Street, 2nd Floor, Almonte, ON K0A 1A0 Tel: 613-256-5717 Fax: 613-256-1578

Attachment 5

November 27, 2008

Mr. Douglas Fee, P. Eng.
President
Ottawa River Power Corporation
2893 Pembroke St. West
P.O. Box 1087
Pembroke, ON K8A 6Y6

Dear Mr. Fee,

Please accept this letter as our support for your application to the Ontario Energy Board to allow Ottawa River Power to serve our Sadler Estates Development in Almonte. We believe this amalgamation makes sense and you have our unconditional support in this regard.

Thank you for your help on this matter and if we can be of any further service to you please do not hesitate to contact us.

Yours truly,

20000396 Ontario Inc.



Wilson Bassile
President



CORPORATION OF THE TOWN OF MISSISSIPPI MILLS

3131 OLD PERTH ROAD • PO BOX 400 • RR2 • ALMONTE ON • K0A 1A0

PHONE: 613-256-2064

FAX: 613-256-4887

WEBSITE: www.mississippimills.ca

Attachment 6

November 7, 2008

Doug Fee, President
Ottawa River Power Corporation
283 Pembroke Street West
PO Box 1087
Pembroke ON K8A 6Y6

Dear Mr. Fee:

Re: Extension of ORPC Service Area

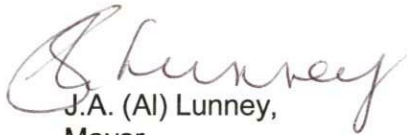
On behalf of Council of the Corporation of the Town of Mississippi Mills, I am writing to support an application by the Ottawa River Power Corporation to extend their service area in the Almonte area to include the Sadler Estates Development located in the Northeast quadrant of Almonte as shown on the attached map.

Mississippi Mills is an amalgamated municipality formed on January 1, 1998 incorporating the former municipalities of the Town of Almonte and the Townships of Ramsay and Pakenham. During the development of the Town's new Community Official Plan which was approved by the Province of Ontario in 2006, 200 acres of additional land were incorporated into the boundaries of the Almonte Ward from the Ramsay Ward for the purposes of future development in accordance with the Province's Smart Growth policies. These lands are currently serviced by Hydro One for electricity purposes but will be serviced by water and sewer by the Ward of Almonte.

Earlier this year, approval was granted by the Ontario Energy Board to include 100 acres of the above noted 200 acres into the ORPC service areas. In order to provide consistent servicing to the entire population within the Almonte Ward, Council strongly supports an application by the Ottawa River Power Corporation to apply to the Ontario Energy Board to incorporate the remaining 100 acres into ORPC's service area.

Please feel free to include this letter with your application to the Ontario Energy Board for a boundary adjustment. If you or anyone from the Ontario Energy Board would like to speak to me regarding this matter, I would be more than pleased.

Yours truly,


J.A. (Al) Lunney,
Mayor