

**Ontario Energy
Board**
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**Commission de l'énergie
de l'Ontario**
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BY E-MAIL

June 12, 2009

Mr. Kerry Adler
Lexi Transmission Corporation
250 Yonge Street, Suite 1602
Toronto, ON M5B 2L7

Dear Mr. Adler:

**Re: Lexi Transmission Corporation ("Lexi")
Application for an Electricity Transmission Licence
Board File No. EB-2009-0164**

The Board has reviewed your application and will be issuing a Notice of Application shortly. The Notice of Application will need to refer to Lexi's intended business activities. Please provide any additional information that is available regarding your proposed business activities. For example, is there an area of the province in which your business activity will be concentrated? Is there a specific type of transmission service you will focus on, such as the connection of generation?

Once the Notice of Application is issued, the Board will require you to publish the Notice in the Globe and Mail Newspaper and post the Notice on the company's website. Please inform the Board if you anticipate any difficulties in meeting these requirements and provide the additional information requested by June 19, 2009.

The Board also wishes to draw to your attention some examples of obligations that apply to an entity that becomes a licensed transmitter:

1. A transmitter is required to provide non-discriminatory access to its transmission system in accordance with section 26 of the *Electricity Act, 1998*.

2. A transmitter may be required, pursuant to sections 70(2)(j) and 70(2)(l) of the *Ontario Energy Board Act, 1998* (the "Act") to expand or reinforce its transmission system or to implement transmission requirements identified in an approved integrated power system plan.
3. The implementation of your proposed business activities may require you to give notice to the Board under Section 81 of the Act. This section of the Act states that a generator or affiliate of a generator shall not acquire an interest in a transmission or distribution system in Ontario, construct a transmission or distribution system in Ontario or purchase shares of a corporation that owns a transmission or distribution system in Ontario unless it has first given notice of its proposal to do so to the Board.
4. Under section 92 of the Act, leave of the Board is required to construct, expand or reinforce an electricity transmission line or an electricity distribution line or make an interconnection.
5. According to section 78(1) of the Act, a transmitter that intends to charge for the transmission of electricity must apply for and receive an order from the Board approving or fixing just and reasonable rates for the transmission of electricity.

Please direct any questions relating to this application to Judith Fernandes, Project Advisor at 416-440-7638 or e-mail, judith.fernandes@oeb.gov.on.ca.

Yours truly,

Original signed by

John Pickernell
Assistant Board Secretary

cc: Mr. Ernest Belyea, Bennett Jones LLP