Ontario Energy Board

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Commission de l'énergie

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BY E-MAIL

May 25, 2010

John F. Mattinson President & Secretary Orillia Power Distribution Corporation 360 West St. S. P.O. Box 398 Orillia, ON L3V 6J9

Dear Mr. Mattinson:

Expropriation of Anchoring Easements for Completion of the Expansion of Re: Orillia Power Distribution Corporation's Distribution System

In your letter of May 14, 2010, Orillia Power Distribution Corporation (Orillia Power) has outlined its concerns regarding its inability to secure anchoring easements to complete a new distribution line that will serve a load center that includes two major customers, Lakehead University and a new community arena.

You advised that the local authority, the Municipality of Orillia, has been unable to secure these easements. Further you indicated that Orillia Power is now seeking procedural guidance to apply for authority to expropriate, if an expropriation proceeding before the Ontario Energy Board (Board) proves necessary.

Board Authority

Section 99 of the Ontario Energy Board Act, 1998 (Act) allows the following "persons" to apply for leave to expropriate:

- Any person who has leave under this Part or a predecessor of this Part.
- 2. Any person who intends to construct, expand or reinforce an electricity transmission line or an electricity distribution line or make an interconnection and who is exempted from the requirement to obtain leave by the Board under section 95 or a regulation made under clause 127 (1) (f).

As a local distributor, Orillia Power falls in the second category, and indeed is exempted under the provisions of O. Reg. 161/99, made under Subsection 127(1) (f) of the Act.

Please note that the Board does not determine compensation associated with expropriation. The Ontario Municipal Board is responsible for establishing compensation amounts for landowners whose properties are expropriated under the provisions of the OEB Act.

Application Requirements

To initiate an application for leave to expropriate, Orillia Power must fulfill the following requirements:

- 1. File a plan and description of the properties affected, and list those who have an "apparent interest" in the affected land. This requires a title search and a certified survey plan.
- 2. Provide a description of the property rights sought.
- 3. Request a hearing before the Board.

Timing

If Orillia Power chooses to apply for leave to expropriate, the Board will follow due diligence, and allow affected landowners the opportunity to air their concerns and discuss the merits of the application. The Board may hold an oral hearing to determine the public interest of constructing the required facilities. All affected landowners will be informed that the Board may proceed to expropriation if the application is found to be in the public interest.

The Board normally requires about ninety (90) days from receipt of complete documentation to process an expropriation application. The Board cannot hold a hearing in less than fourteen (14) days after receipt of the original application.

Should you have further questions relating to this matter, please direct them to David Richmond, Manager Electricity Facilities and Infrastructure at 416-440-7654 or at david.richmond@oeb.gov.on.ca.

Yours truly,

Original signed by

John Pickernell Assistant Board Secretary