

NOTICE OF APPLICATION AND HEARING CANADIAN NIAGARA POWER INC. APPLICATION FOR APPROVAL TO ESTABLISH A DEFERRAL ACCOUNT BOARD FILE NUMBER: EB-2010-0250

Canadian Niagara Power Inc. (the "Applicant" or "CNPI") has filed an application with the Ontario Energy Board, (the "Board") dated July 23, 2010 requesting Board approval to establish a deferral account for the purpose of recording expenses related to renewable generation connection and infrastructure investment arising from the *Green Energy and Green Economy Act, 2009.*

CNPI is a licensed Ontario transmitter. CNPI's transmission system is interconnected with Hydro One Networks Inc.'s transmission system in Niagara Falls, Ontario and provides service in and around the area of Fort Erie, Ontario. CNPI's transmission system is also interconnected, through an emergency tie line, with the transmission system owned and operated by US National Grid in New York State.

The Board has assigned File No. EB-2010-0250 to this application.

Background

CNPI has advised that it intends to participate in any "designation process" implemented by the Board to determine which transmitters would have the

¹ A process being developed through a Board-initiated proceeding (EB-2010-0059) to facilitate the timely and cost effective development of major transmission facilities that may be required to connect renewable generation in Ontario.

responsibility for developing enabler facilities and major network expansions. Such facilities can be identified by the Ontario Power Authority's ("OPA") Economic Connection Test ("ECT"), and through transmission plans filed with the Board pursuant to the deemed conditions referred to in subsection 70(2.1) of the *Ontario Energy Board Act*.

CNPI noted that it understands that a "designation process" is not yet in place but believes it prudent to apply for a deferral account now to ensure that, if approved, it is in place prior to the OPA's release of its ECT results, and prior to the implementation of a "designation process".

Notice to Potential Parties

The Applicant has been directed to immediately serve a copy of this Notice of Application along with a copy of the Application, either personally, by courier, or by registered mail on all Ontario transmitters and other interested parties including those that typically intervene in Board proceedings that establish transmission rates. The parties that are to be served are listed in Appendix A to this Notice of Application and Hearing.

How to Participate

You may participate in this proceeding in one of three ways:

1. Send a Letter with your Comments to the Board

Your letter with comments will be provided to the Board members deciding the application and will be part of the public record for the application. If you wish to make an oral presentation to the Board, your letter should include this request. Your letter must be received by the Board no later than **30 days** from the service date of this notice. The Board accepts letters of comment by either post or e-mail at the addresses below.

2. Become an Observer

Observers do not actively participate in the proceeding but monitor the progress of the proceeding by receiving documents issued by the Board. You may request observer status in order to receive documents issued by the Board in this proceeding. If you become an observer, you need to contact the applicant and others in order to receive documents that they file in this proceeding and they may charge you for this. Most

documents filed in this application will also be available on the Board's website. Your request for observer status must be made in writing and be received by the Board no later than **10 days** from the service date of this notice. The Board accepts observer request letters by post or e- mail at the addresses below; however, two paper copies are also required. You must also provide a copy of your letter to the Applicant.

3. Become an Intervenor

You may ask to become an intervenor if you wish to actively participate in the proceeding. Intervenors are eligible to receive evidence and other material submitted by participants in the hearing. Likewise, intervenors will be expected to send copies of any material they file to all parties to the hearing. Your request for intervenor status must be made by letter of intervention and be received by the Board no later than **10 days** from the service date of this notice. Your letter of intervention must include a description of how you are, or may be, affected by the outcome of this proceeding; and if you represent a group, a description of the group and its membership. The Board may order costs in this proceeding. You must indicate in your letter of intervention whether you expect to seek costs from the applicant and the grounds for your eligibility for costs. You must provide a copy of your letter of intervention to the Applicant. The Board may choose to proceed with this application by way of a written or an oral hearing. Your letter of intervention should indicate your preference for a written or oral hearing, and the reason for that preference.

You must file two paper copies and an electronic copy of your intervention request with the Board. If you already have a user ID, please submit the electronic copy of your intervention request through the Board's web portal at www.errr.oeb.gov.on.ca. If you do not have a user ID, please visit the "e-Filing Services" page on the Board's website at www.oeb.gov.on.ca and fill out a user ID password request. For instructions on how to submit and naming conventions please refer to the RESS Document Guidelines also found on the "e-Filing Services" webpage. Alternately, the electronic copy of your intervention request may be submitted by e-mail at the address below. Those who do not have internet access are required to submit the electronic copy of their intervention request on a CD or diskette in pdf format.

How to Contact Us

In responding to this Notice, please include Board file number EB-2010-0250 in the subject line of your e-mail or at the top of your letter. 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 website at www.oeb.gov.on.ca or by calling our Consumer Relations Centre at 1-877-632-2727.

IMPORTANT

IF YOU DO NOT REQUEST TO PARTICIPATE IN ACCORDANCE WITH THIS NOTICE, THE BOARD MAY PROCEED IN YOUR ABSENCE AND YOU WILL NOT BE ENTITLED TO ANY FURTHER NOTICE OF THESE PROCEEDINGS.

ADDRESSES

Ontario Energy Board

2300 Yonge Street, 27th Floor Toronto ON M4P 1E4

Attn: Ms. Kirsten Walli

Board Secretary

Tel: 1-888-632-6273 (toll free)

Fax: 416-440-7656

E-mail: BoardSec@oeb.gov.on.ca

The Applicant
Canadian Niagara Power Inc.

1130 Bertie Street P.O. Box 1218

Fort Erie, Ontario L2A 5Y2

Attn: Mr. Douglas Bradbury

Director, Regulatory Affairs

Tel: 905-994-3634 Fax: 905-994-2207

E-mail: doug.bradbury@cnpower.com

Counsel for the Applicant

Andrew Taylor Energy Law 120 Adelaide Street West, Suite 2500 Toronto, ON M5H 1T1

Attn: Mr. Andrew Taylor Tel: 416-644-1568

E-mail: ataylor@energyboutique.ca

DATED at Toronto November 5, 2010 **ONTARIO ENERGY BOARD**

Original signed by

Kirsten Walli Board Secretary

APPENDIX A

EB-2010-0250

Parties that the Notice of Application and Hearing is to be Served On

Five Nations Energy Inc.;

Great Lakes Power Transmission LP;

Hydro One Networks Inc.;

Ontario Power Authority;

The Independent Electricity System Operator;

Electricity Distributors Association;

Association of Power Producers of Ontario;

Association of Major Power Consumers in Ontario;

Canadian Manufacturers & Exporters;

Consumers Council of Canada;

Energy Probe Research Foundation;

Pollution Probe;

Schools Energy Coalition; and

Vulnerable Energy Coalition.