



EB-2007-0916

NOTICE OF APPLICATION

Application by Hydro One Networks Inc. and PowerStream Inc. for Licence Amendments and Sale of Distribution Assets

Hydro One Networks Inc. ("Hydro One") and PowerStream Inc. ("PowerStream") 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:

- amending the applicants' distribution service areas to reflect the transfer of 68 customers from Hydro One to PowerStream; and
- approving the sale of distribution assets necessary in serving the public from Hydro One to PowerStream.

The Board has assigned file number EB-2007-0916 to the application.

Section 6.5.4 of the Distribution System Code

Section 6.5.4 of the Board's Distribution System Code requires distributors to eliminate long term load transfers before January 31, 2009. A long term load transfer is a situation in which a customer is within one distributor's service area but is actually served electricity from a second distributor. The applicants have stated that the service area amendments and the sale of the distribution assets that are the subject of this application are being sought in order to eliminate the long term load transfer between Hydro One and PowerStream.

Service Area Amendments

The centre line of Bathurst Street is the existing service area territory for Hydro One and PowerStream. Hydro One serves the west side and PowerStream serves the east side. The proposed service area amendment will expand PowerStream's service area to

include some of the lots on the west side of Bathurst Street, from two lots north of King Vaughan Road to two lots north of St. John's side road.

In their application, the applicants describe the proposed amendment to this area as follows:

PowerStream's southern boundary will be marked by two lots north of King Vaughan Road, sliding westwards to include all the customers up to four lots south of Bloomington. In that, the existing boundary situated above King Road, is to extend two-hundred meters towards west. The centre line on Bathurst Street remains the separating boundary from four lots south of Bloomington to one lot north of the railway crossing. There onwards, up to Lot 24 (south of St. John's side road), all the customers on west side of Bathurst Street and those on 16th side road, excluding Lot 20 – just south of Wellington Street, are to be transferred to PowerStream. The existing boundary remains unchanged up to two lots north of St. John's side road, which draws the northern boundary on Bathurst Street.

On 7th Concession of the Town of King, the existing service area boundary between PowerStream and Hydro One lies two lots north of King Vaughan Road. The proposed service area amendment will expand PowerStream's service area to encompass all customers bordering the 7th Concession of King, from two lots north of King Vaughan Road up to its dead end.

The customers located at the above noted locations are currently within Hydro One's service area. The proposed amendments, if granted, will result in these customers becoming customers of PowerStream. As the distribution rates for the two utilities are not identical, these customers will be subject to new distribution rates if the application is approved.

Sale of Distribution Assets

Hydro One is seeking approval to sell part of its distribution system that is useful in serving the public to PowerStream. PowerStream will purchase these assets from Hydro One for net book value. The assets will continue to be used to serve the same customers presently served by the assets.

How to See the Application

A copy of the application and related documents are available for inspection at the Board's offices in Toronto. A copy can also be viewed at the Hydro One and PowerStream offices at the addresses indicated below.

How to Participate in the Proceeding

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. The Board does not intend to provide for an award of costs when deciding this application.

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 all parties who 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-2007-0916 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 A WRITTEN SUBMISSION OBJECTING TO A WRITTEN HEARING OR IF YOU DO NOT NOTIFY THE BOARD OF YOUR INTENTION TO PARTICIPATE IN THIS PROCEEDING 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

(for viewing copies of the application)

The Board

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The Applicants

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DATED at Toronto December 19, 2007

ONTARIO ENERGY BOARD

Original signed by

John Pickernell
Assistant Board Secretary