



CANADIAN NIAGARA POWER INC.

A **FORTIS** ONTARIO
Company

November 25, 2011

VIA COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P. O. Box 2319
2300 Yonge Street
Toronto, ON M4P 1E4

Dear Ms. Walli:

**RE: APPLICATION FOR AMENDMENT TO CANADIAN NIAGARA POWER INC. ("CNPI") ELECTRICITY
DISTRIBUTION LICENCE (ED-2002-0572)**

Application

CNPI submits this letter as an application to amend the above captioned electricity distribution licence pursuant to Section 74 of the *Ontario Energy Board Act, 1998*. Specifically, the Application is to make the following change to Schedule 3 List of Code Exemptions; (i) include in Schedule 3 Section 2 Part a, Algoma Power Inc. ("API"), ED-2009-0072 as an affiliate, and (ii) in Schedule 3 Section 2 Part b, change the reference to the date of the Services Agreement from "September 15, 2005" to "September 15, 2010" to reflect the actual date of the Services Agreement filed with the Board.

Statement of Facts

Ontario Energy Board (“OEB”) Issued Licences

The following OEB Licences are referenced in this Application.

Entity	OEB Licence	Date
CNPI	ED-2002-0572	November 12, 2010
CNPI	ET-2003-0073	September 8, 2008
API	ED-2009-0072	November 12, 2010
Cornwall Street Railway Light and Power Limited (Cornwall Electric)	ED-2004-0405	January 22, 2009
FortisOntario (“FO”)	EG-2003-0107	January 28, 2010
Fortis Properties Corporation (“FPC”)	EG-2003-0106	

Organization of Entities

For a corporate organization chart for FO and its licensed affiliates, please see Schedule A to this application. CNPI, API and Cornwall Electric are wholly-owned subsidiaries of FO, which is a wholly-owned subsidiary of Fortis Inc (“Fortis”). FPC is also a wholly-owned subsidiary of Fortis, which is a publicly traded company listed on the TSX.

The utility transmission and distribution business for the service areas of Fort Erie, and Gananoque are owned by CNPI. The utility distribution assets for the service territory of Port Colborne are leased by CNPI from Port Colborne Hydro Inc., a wholly-owned subsidiary of the Corporation of the City of Port Colborne. The utility distribution business for the Cornwall service area is owned by Cornwall Electric. Both FO and FPC own generation businesses in Ontario.

Shared Services

On September 30, 2010, Fortis Ontario filed an amended multi-party services agreement dated September 15, 2010 that pertains to FO, CNPI, Cornwall Electric, API and FPC. This multi-party services agreement was filed of a material change in the September 15, 2005 agreements. The September 15, 2010 services agreements include API. API was acquired by FO on October 8, 2009. API is coincidently with this Application filing an application to request that its licence be amended to include exemptions to sections 2.2.2 and 2.2.3 of the Affiliate Relationships Code based on the same conditions required of the Licensees.

Statutory Provision for Amendment

Section 74 of the *Ontario Energy Board Act, 1998* (the “Act”) is the statutory provision that enables the Board to amend the Licence to make the changes referred to herein.

Nature of Order Sought

CNPI seeks an order amending the following conditions to Schedule 3 of the captioned licence, as applicable:

- Schedule 3 – Section 2. Paragraph a). Insert following first bullet “Algoma Power Inc.”.
- Schedule 3 – Section 2. Paragraph b). Delete the date “September 15, 2005” and replace it with “September 15, 2010”.
- For the avoidance of doubt, continue exempting CNPI, API, Cornwall Electric and their listed affiliates from the provisions of sections 2.1.2 and 2.2.2, of the Affiliate Relationships Code.

As CNPI believes that no parties are affected by the amendments being sought, it respectfully requests that there be no requirement for it to serve notice of this application on any parties. Further, CNPI requests that the Board dispose of these matters without a hearing under Section 21 (4) (b) of the Act as no person will be adversely affected in a material way by the outcome of the proceeding.

Yours truly,

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Attachments