

Hydro One Networks Inc.

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Andrew.Skalski@HydroOne.com

Andrew Skalski

Director – Applications
Regulatory Affairs



BY COURIER

March 7, 2012

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON
M4P 1E4

Dear Ms. Walli:

Re: Service Area Amendment between Hydro One Networks Inc. and PowerStream Inc.

Hydro One Networks Inc. ("Hydro One") is making a joint application for a Service Area Amendment with PowerStream Inc. ("PowerStream"). Given that there will be no adverse impacts on existing customers as this is a new subdivision under development, we ask that the Board dispose of this proceeding without a hearing under Section 21(4)(b) of the *Act*.

The proposed service area amendment will make it clear which utility will serve each phase of a new residential subdivision currently located in the southwest corner of the Town of Bradford-West Gwillimbury, and it will also avoid duplication of facilities and any associated safety or operational concerns.

The attachments contain the Joint Agreement of service area amendment. Should you have any questions on this application, please contact Yoon Kim at (416) 345-5228.

Respectfully submitted,

ORIGINAL SIGNED BY ANDREW SKALSKI

Andrew Skalski

Attachment

c: Sarah Griffiths, PowerStream Inc.(electronic only)

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8 **Joint Application for Service Area Amendment**
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11 **Hydro One Networks Inc.**
12 **And**
13 **PowerStream Inc.**
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17 **FINAL**
18 **March 6, 2012**
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7.0 INTRODUCTION

This application for a Service Area Amendment is structured to follow the minimum filing requirement for Service Area Amendments as specified by the Ontario Energy Board. The requirement wording (contained in boxes) and associated section numbering follows that of the filing requirements document.

7.1 BASIC FACTS:

- **Hydro One Networks Inc. (“Hydro One”) and PowerStream Inc. (“PowerStream”) are making this service area amendment (“SAA”) application to the Ontario Energy Board (“the Board”) to amend Hydro One’s Distribution Licence (ED-2003-0043) and PowerStream’s Distribution Licence (ED-2004-0420), specifically for the purpose of connecting new subdivision plans that are being developed in the southwest corner of the Town of Bradford-West Gwillimbury.**
- **The development will be occurring in both Hydro One and PowerStream service territory. Based on the proposed development plans from the developers, it has been mutually agreed upon between Hydro One and PowerStream that the service territory boundaries should be modified to align with the proposed subdivision plans.**
- **The proposed SAA will have no adverse effect on any person.**

GENERAL

7.1.1 (a)

*Provide the contact information for the applicant
Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the person*

Co-Applicant: **Hydro One Networks Inc.**

Contact Information: **Yoon Kim**
Applications Analyst – Regulatory Affairs
Hydro One Networks Inc.
483 Bay Street
South Tower, 8th floor
Toronto, ON M5G 2P5
Phone: 416-345-5228
Fax: 416-345-5866
E-mail: yoona.kim@hydroone.com

Co-Applicant: **PowerStream Inc.**

Contact Information: **Sarah Griffiths**
Manager, Regulatory and Government Affairs
161 Cityview Boulevard
Vaughan, ON L4H 0A9
Phone: 905-532-4527

Fax: 905-532-4557

E-mail: sarah.griffiths@powerstream.ca

7.1.1 (b)

Provide the contact information for the incumbent distributor

- **Not Applicable**

7.1.1 (c)

Provide every affected customer, landowner, and developer in the area that is the subject of the SAA Application

The Registered Owner/Developer of Customer(s):

- **Honeycut Land Inc/Triple-R-Ranch Co Ltd.**
c/o Mr. Jim Craig
391 West Park Ave., Box 1060
Bradford, ON L3Z 2B5
Phone: 1-800-387-4261
Fax: 1-905-775-4350
E-mail: modaire.jim@sympatico.ca
- **Brookfield Homes (Ontario) Limited**
c/o Mr. Peter Schut
7303 Warden Ave., Suite 100
Markham, ON L3R 5Y6
Phone: 1-800-387-8545
Fax: 1-905-477-9001
E-mail: pschut@brookfieldhomes.ca

7.1.1 (d) & (e)

Provide any alternate distributor other than the applicant and the incumbent distributor, if there are any alternate distributors bordering on the area that is the subject of the SAA application; and any representative of the persons listed above including, but not limited to, a legal representative

- **There are no alternate distributors.**

7.1.2 REASONS FOR APPROVAL OF THIS AMENDMENT

Indicate the reasons why this amendment should occur and identify any load transfers eliminated by the proposed SAA.

- **The southwest corner of the Town of Bradford-West Gwillimbury will be undergoing sub-division development over the upcoming years. The development will be occurring in both Hydro One and PowerStream service territory. Based on the proposed development plans from the developers, it has been mutually agreed**

- 1 upon between Hydro One and PowerStream that the service territory boundaries
2 should be modified to align with the proposed subdivision plans.
- 3 • There are two phases of a proposed development in a Greenfield area where there
4 are no existing Hydro One or PowerStream customers. Based on the proposed
5 development plans of Honeycut Land Inc/Triple-R-Ranch Co. Ltd. and the
6 Brookfield Development the current service territory boundaries would pass
7 through a number of proposed lots. However, there is a greenbelt/river known
8 locally as Crooked Creek that creates a natural divide between the two phases of
9 development.
 - 10 • Therefore, by changing the service territory boundaries to follow Crooked Creek,
11 each of the two phases and areas of the development will be supplied by one
12 Distributor. It is proposed that the new boundary be defined by Crooked Creek
13 between Middletown Road on the west and the concession line between Lots 12 and
14 13 to the east.
 - 15 • The new Hydro One service area territory will be to the southeast of the new
16 boundary and PowerStream's service area territory will be to the northwest of the
17 new boundary.
 - 18 • There are no load transfers to be dealt with in this proposed SAA.

21 DESCRIPTION OF PROPOSED SERVICE AREA

23 7.1.3

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25 *(a) Provide a detailed description of the lands that are the subject of the SAA application. For SAA*
26 *applications dealing with individual customers, the description of the lands should include the lot*
27 *number, the concession number, and the municipal address of the lands. The address should include the*
28 *street number, municipality and/or county, and postal code of the lands.*

29 *For SAA applications dealing with general expansion areas, the description of the lands should include*
30 *the lot number and the concession number of the lands, if available, as well as a clear description of the*
31 *boundaries of the area (including relevant geographical and geophysical features).*

- 34 • **Hydro One proposed service area amendment:**
 - 35 ○ All lands north of 6th line, lot 12 south of Miller Park Avenue where Miller
 - 36 Park Avenue crosses the natural divide of Crooked Creek
 - 37 ○ The eastern boundary follows southeast between lots 12 and 13 to the
 - 38 original Hydro One and PowerStream service area territory boundary
 - 39 ○ The southwestern point is in lot 12 at Crooked Creek
- 40 • **PowerStream proposed service area amendment:**
 - 41 ○ From 6th line, lot 12, all areas south of where Hydro One's area stops at
 - 42 Crooked Creek
 - 43 ○ The southern boundary of PowerStream's proposed service territory follows
 - 44 Crooked Creek through Lot 11 in a southwest direction to the centre of
 - 45 Middletown Road (10th Sideroad)
 - 46 ○ The western boundary follows Middletown Road (10th Sideroad) in the
 - 47 centre, north until it reaches the original PowerStream/Hydro One
 - 48 boundary.
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 - 50
- 51 • See Attachment 1 - Maps:

(b) Provide geographic descriptions of the lands that are subject of the SAA application and how they should be reflected on Schedule 1 of the applicants' electricity distribution licences.

Hydro One and PowerStream Licence Amendments

- The proposed amendment would have no impact on Hydro One's distribution licence, as Hydro One's licensed service areas in the Town of Bradford-West Gwillimbury include all areas with the exception of that served by PowerStream.
- Barrie Hydro was merged into PowerStream Inc. in 2009 the highlighted text below will be added to Hydro One Distribution licence upon the approval of the service area amendment.

Hydro One Networks Inc. (ED-2003-0043)

APPENDIX B – TAB 4

Name of Municipality: Town of Bradford-West Gwillimbury

Formerly Known As: Town of Bradford, Township of West Gwillimbury, as at December 31, 1990.

Area Not Served By Networks: The area served by PowerStream Inc. as particularly set out in Licence No. ED-2004-0420, previously served by Barrie Hydro Distribution Inc. described as the former Town of Bradford as more particularly set out in Licence No. ED-2002-0534.

Networks assets within area

not served by Networks: Yes

Customer(s) within area not

served by Networks: No

PowerStream Inc. (ED-2004-0420)

SCHEDULE 1

DEFINITION OF SERVICE AREA

- PowerStream's distribution licence – ED-2004-0420 will be amended as shown in Attachment 3 to reflect the boundary change upon the Board's approval.
 - 7. Community of Bradford-West Gwillimbury Service Area: Within the Community of Bradford-West Gwillimbury as detailed firstly as the "Expansion Service Area" in Schedule 'B' and 'C' to the Corporation of the Town of Bradford-West Gwillimbury By-law 95-048 dated September 11, 1995, and shown in attached Reference Map, Document Number 4993, and further described in attached Map 1. The boundary is defined by Crooked

Creek between Middletown Road (10th Sideroad) to the West and the concession line between lot 12 and lot 13 to the East, south of Holland Street West and north of 6th Line in the Town of Bradford-West Gwillimbury.

7.1.4

Provide one or more maps or diagrams of the area that is the subject of the SAA application.

- See Attachment 1 – Maps

7.1.4 (a)

Borders of the applicant's service area

- See Attachment 1 – Maps

7.1.4 (b)

Borders of the incumbent distributor's service area

- See Attachment 1 – Maps

7.1.4 (c)

Borders of any alternate distributor's service area

- Not Applicable

7.1.4 (d)

Territory surrounding the area for which the applicant is making SAA application

- See Attachment 1 – Maps

7.1.4 (e)

Geographical and geophysical features of the area including, but not limited to, rivers and lakes, property borders, roads, and major public facilities

- See Attachment 1 – Maps

7.1.4 (f)

Existing facilities supplying the area that is the subject of the SAA application, if applicable, as well as the proposed facilities which will be utilized by the applicant to supply the area that is the subject of the SAA application (Note: if the proposed facilities will be utilized to also provide for expansion of load in the area that is the subject of the SAA application, identify that as well)

- Existing Hydro One distribution facilities in the proposed “Crooked Creek” boundary include Hydro One’s owned feeder along Middletown Rd. from 6th Line to Holland St.

- **PowerStream has a 44-13.8 kV, 10 MVA, Municipal Substation (MS324) near Reagens Industrial Pkwy. and 10th Sideroad including two 13.8 kV feeders from the station to Holland St. In 2012, PowerStream will complete work on one of the 13.8 kV feeders that will extend south on Middletown Road to supply a proposed residential development.**

- **See Attachment 1 – Maps**

DISTRIBUTION INFRASTRUCTURE IN AND AROUND THE PROPOSED AMENDMENT AREA

7.1.5

Provide a description of the proposed type of physical connection (i.e., individual customer; residential subdivision, commercial or industrial development, or general service area expansion).

- **Residential subdivision with individual connections to each lot.**

7.1.6

Provide a description of the applicant's plans, if any, for similar expansions in lands adjacent to the area that is the subject of the SAA application.

Provide a map or diagram showing the lands where expansions are planned in relation to the area that is the subject of the SAA application.

- **Not Applicable**

7.2 EFFICIENT RATIONALIZATION OF THE DISTRIBUTION SYSTEM

The proposed SAA will be evaluated in terms of rational and efficient service area realignment. This evaluation will be undertaken from the perspective of economic (cost) efficiency as well as engineering (technical) efficiency.

Applicants must demonstrate how the proposed SAA optimizes the use of existing infrastructure. In addition, applicants must indicate the long term impacts of the proposed SAA on reliability in the area to be served and on the ability of the system to meet growth potential in the area. Even if the proposed SAA does not represent the lowest cost to any particular party, the proposed SAA may promote economic efficiency if it represents the most effective use of existing resources and reflects the lowest long run economic cost of service to all parties.

- **The southwest corner of the Town of Bradford-West Gwillimbury will be undergoing subdivision development. The development will be occurring in both Hydro One and PowerStream service territory. Based on the proposed development plans from the developers, it has been mutually agreed upon between Hydro One and PowerStream that the service territory boundaries should be modified to align with the proposed subdivision plans.**
- **There are two phases of a proposed development in a Greenfield area where there are no existing Hydro One or PowerStream customers. Based on the proposed**

development plans of Honeycut Land Inc/Triple-R-Ranch Co. Ltd and Brookfield the current service territory boundaries would pass through a number of proposed lots. However, there is a greenbelt/river known locally as Crooked Creek that creates a natural divide between the two phases of development. [Phase I on the left/PowerStream and Phase 2 on the right/HONI)

- Therefore, by changing the service territory boundaries to follow Crooked Creek, each of the two phases and areas of the development will be supplied by one Distributor. Specifically, the proposed service area amendment will allow that Phase 1 is served by PowerStream and Phase 2 is served by Hydro One. It is proposed that the new boundary be defined by Crooked Creek between Middletown Road on the west and the line between Lots 12 and 13 to the east (See Attachment 1 – Maps).
- The new Hydro One service area territory will be to the southeast of the new boundary and PowerStream’s service area territory will be to the northwest of the new boundary.

7.2.1 ECONOMIC AND ENGINEERING EFFICIENCY

In light of the above, provide a comparison of the economic and engineering efficiency for the applicant and the incumbent distributor to serve the area that is the subject of the SAA application.
(NOTE: (a), (b), (c), (d), (e), (f), (g), (h))

7.2.1 (a)

Location of the point of delivery and the point of connection

- Hydro One’s source of supply is from Bradford DS, F3 feeder with the proposed point of delivery from normal distribution feeder supply from this DS.
- PowerStream’s supply source is from Reagan’s Municipal Substation (MS 324) with the proposed point of delivery from normal distribution feeder supply from this station.
- Both Hydro One and PowerStream supply points are readily available within the immediate area of the proposed development.
- See Attachment 1 – Maps

7.2.1 (b)

Proximity of the proposed connection to an existing distribution system

- Both Hydro One and PowerStream supply points are readily available within the immediate area of the proposed development.
- See Attachment 1 – Maps

7.2.1 (c)

The fully allocated connection costs for supplying the customer (i.e., individual customers or developers) unless the applicant and the incumbent distributor provide a reason why providing the fully allocated connection costs is unnecessary for the proposed SAA
(Note: the Board will determine if the reason provided is acceptable).

- At time of development, PowerStream will use the OEB approved Economic Model to determine the connections cost to supply the Development.
- Hydro One will allocate the connection costs per Hydro One's normal subdivision connection policy incorporating a Discounted Cash Flow analysis, as detailed in Hydro One's publicly available Conditions of Service document which is consistent with the OEB-approved methodology.

7.2.1 (d)

The amount of any capital contribution required from the customer

- Section 7.2.1 (c)

7.2.1 (e)

Costs for stranded equipment (i.e., lines, cables, and transformers) that would need to be de-energized or removed

- None

7.2.1 (f)

Information on whether the proposed SAA enhances, or at a minimum does not decrease, the reliability of the infrastructure in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application over the long term

- The reliability of the infrastructure in the area that is subject of the SAA application will remain the same in the short term and improve in the long term when supply to the development is fully completed.

7.2.1 (g)

Information on whether the proposed infrastructure will provide for cost-efficient expansion if there is growth potential in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application

- The proposed infrastructure will provide for cost-efficient expansion with continued growth in the area.

7.2.1 (h)

Information on whether the proposed infrastructure will provide for cost-efficient improvements and upgrades in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application.

- See 7.2.1. (g)

7.3 IMPACTS ARISING FROM THE PROPOSED AMENDMENT

Description of Impacts

7.3.1

Identify any affected customers or landowners.

- See 7.1.1 (c)

7.3.2

Provide a description of any impacts on costs, rates, service quality, and reliability for customers in the area that is the subject of the SAA application that arise as a result of the proposed SAA. If an assessment of service quality and reliability impacts cannot be provided, explain why.

- **There will be no adverse impact as a result of this proposed service area amendment**

7.3.3

Provide a description of any impacts on costs, rates, service quality, and reliability for customers of any distributor outside the area that is the subject of the SAA application that arise as a result of the proposed SAA. If an assessment of service quality and reliability impacts cannot be provided, explain why.

- **There will be no adverse impact as a result of this proposed service area amendment**

7.3.4

Provide a description of the impacts on each distributor involved in the proposed SAA. If these impacts have already been described elsewhere in the application, providing cross-references is acceptable.

- **See Attachment 1 – Maps**

7.3.5

Provide a description of any assets which may be stranded or become redundant if the proposed SAA is granted.

- **No assets will be stranded or become redundant**

7.3.6

Identify any assets that are proposed to be transferred to or from the applicant. If an asset transfer is required, has the relevant application been filed in accordance with section 86 of the Act? If not, indicate when the applicant will be filing the relevant section 86 application.

- **There are no assets to be transferred**

7.3.7

Identify any customers that are proposed to be transferred to or from the applicant.

- **See Section 7.1.1 (c)**

7.3.8

Provide a description of any existing load transfers or retail points of supply that will be eliminated.

- **Not Applicable**

7.3.9

Identify any new load transfers or retail points of supply that will be created as a result of the proposed SAA. If a new load transfer will be created, has the applicant requested leave of the Board in accordance with section 6.5.5 of the Distribution System Code (“DSC”)?

If not, indicate when the applicant will be filing its request for leave under section 6.5.5 of the DSC with the Board. If a new retail point of supply will be created, does the host distributor (i.e., the distributor who provides electricity to an embedded distributor) have an applicable Board approved rate? If not, indicate when the host distributor will be filing an application for the applicable rate.

- **Not Applicable**

EVIDENCE OF CONSIDERATION AND MITIGATION OF IMPACTS

7.3.10

Provide written confirmation by the applicant that all affected persons have been provided with specific and factual information about the proposed SAA. As part of the written confirmation, the applicant must include details of any communications or consultations that may have occurred between distributors regarding the proposed SAA.

- **See Attachment 2 – Letters**

7.3.11

Provide a letter from the incumbent distributor in which the incumbent distributor indicates that it consents to the application.

- **Not Applicable – Joint Application**

7.3.12

Provide a written response from all affected customers, developers, and landowners consenting to the application, if applicable.

- **See Attachment 2 – Letters**

7.3.13

Provide evidence of attempts to mitigate impacts where customer and/or asset transfers are involved (i.e., customer rate smoothing or mitigation, and compensation for any stranded assets).

- **Not Applicable**

7.4 CUSTOMER PREFERENCE

The Board, in the RP-2003-0044 decision, stated that customer preference is an important, not overriding consideration when assessing the merits of an SAA.

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5 **7.4.1**

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7 *An applicant who brings forward an application where customer choice may be a factor must provide a*
8 *written statement signed by the customer (which includes landowners and developers) indicating the*
9 *customer's preference.*

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 - **See Attachment 2 – Letters**

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14 **7.5 ADDITIONAL INFORMATION REQUIREMENTS FOR CONTESTED**
15 **APPLICATIONS**

16
17 *If there is no agreement among affected persons regarding the proposed SAA, the applicant must file*
18 *the additional information set out below.*

- 19
 - **Not Applicable**

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21 **7.5.1**

22
23 *If the application was initiated due to an interest in service by a customer, landowner, or developer,*
24 *evidence that the incumbent distributor was provided an opportunity to make an offer to connect that*
25 *customer, landowner, or developer.*

- 26
 - **Not Applicable**

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28 **7.5.2**

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30 *Evidence that the customer, landowner, or developer had the opportunity to obtain an offer to connect*
31 *from the applicant and any alternate distributor bordering on the area that is the subject of the SAA*
32 *application.*

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 - **Not Applicable**

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36 **7.5.3**

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38 *Actual copies of, as well as a summary of, the offer(s) to connect documentation (including any*
39 *associated financial evaluations carried out in accordance with Appendix B of the Distribution System*
40 *Code). The financial evaluations should indicate costs associated with the connection including, but not*
41 *limited to, on-site capital, capital required to extend the distribution system to the customer location,*
42 *incremental up-stream capital investment required to serve the load, the present value of incremental*
43 *OM&A costs and incremental taxes as well as the expected incremental revenue, the amount of revenue*
44 *shortfall, and the capital contribution requested.*

- 45
46
 - **Not Applicable**

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48 **7.5.4**

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50 *If there are competing offers to connect, a comparison of the competing offers to connect the*
51 *customer, landowner, or developer.*

- Not Applicable

7.5.5

A detailed comparison of the new or upgraded electrical infrastructure necessary for each distributor to serve the area that is the subject of the SAA application, including any specific proposed connections.

- Not Applicable

7.5.6

Outage statistics or, if outage statistics are not available, any other information regarding the reliability of the existing line(s) of each distributor that are proposed to supply the area that is the subject of the SAA application.

- Not Applicable

7.5.7

Quantitative evidence of quality and reliability of service for each distributor for similar customers in comparable locations and densities to the area that is the subject of the SAA application.

- Not Applicable

7.6 OTHER

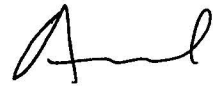
It is the sole responsibility of the Applicant to provide all information that is relevant and that would assist the Board in making a determination in this matter. Failure to provide key information may result in a delay in the processing of the application or in the denial of the application.

7.7 WRITTEN CONSENT/JOINT AGREEMENT

Both parties Hydro One Networks Inc. and PowerStream Inc. agree to all the statements made in this application.

ORIGINAL SIGNED BY ANDREW SKALSKI

Andrew Skalski
Director – Major Projects and Partnerships
Regulatory Affairs
Hydro One Networks Inc.


Colin Macdonald
VP, Rates and Regulatory Affairs
PowerStream Inc.

Dated: _____

Dated: MARCH 6, 2012

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6 **7.8 REQUEST FOR NO HEARING**

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8 **Does the applicant request that the application be determined by the Board without a**
9 **hearing? If yes, please provide:**

10 **(a) an explanation as to how no person, other than the applicant and the proposed**
11 **recipient, will be adversely affected in a material way by the outcome of the proceeding**
12 **AND**

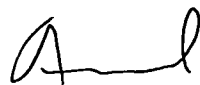
13 **(b) the proposed recipient's written consent to the disposal of the application without a**
14 **hearing.**

15
16 **(a) There will be no adverse impacts on existing customers as this is a new**
17 **subdivision under development. Also this proposed service area amendment will**
18 **make it clear who will serve each phase of the subdivision, and avoid duplication of**
19 **facilities and any associated safety or operational concerns.**

20 **(b) Both parties to this application request that the Board dispose of this proceeding**
21 **without a hearing under Section 21(4)(b) of the Act.**
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25 ORIGINAL SIGNED BY ANDREW SKALSKI

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28 **Andrew Skalski**
29 **Director – Major Projects and Partnerships**
30 **Hydro One Networks Inc.**

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Colin Macdonald
VP, Rates and Regulatory Affairs
PowerStream Inc.








Dated: _____

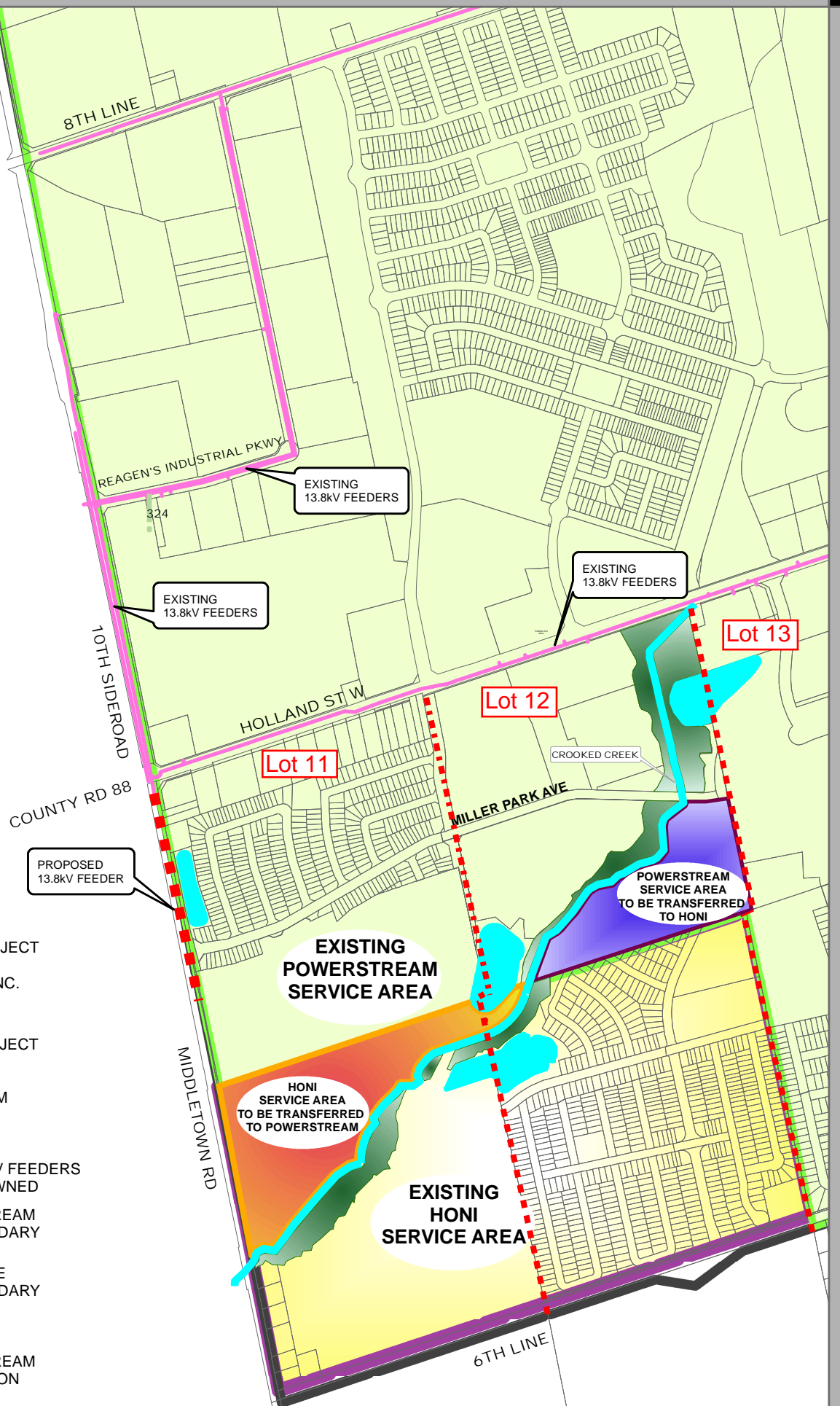
Dated: MARCH 6, 2012

ATTACHMENT 1

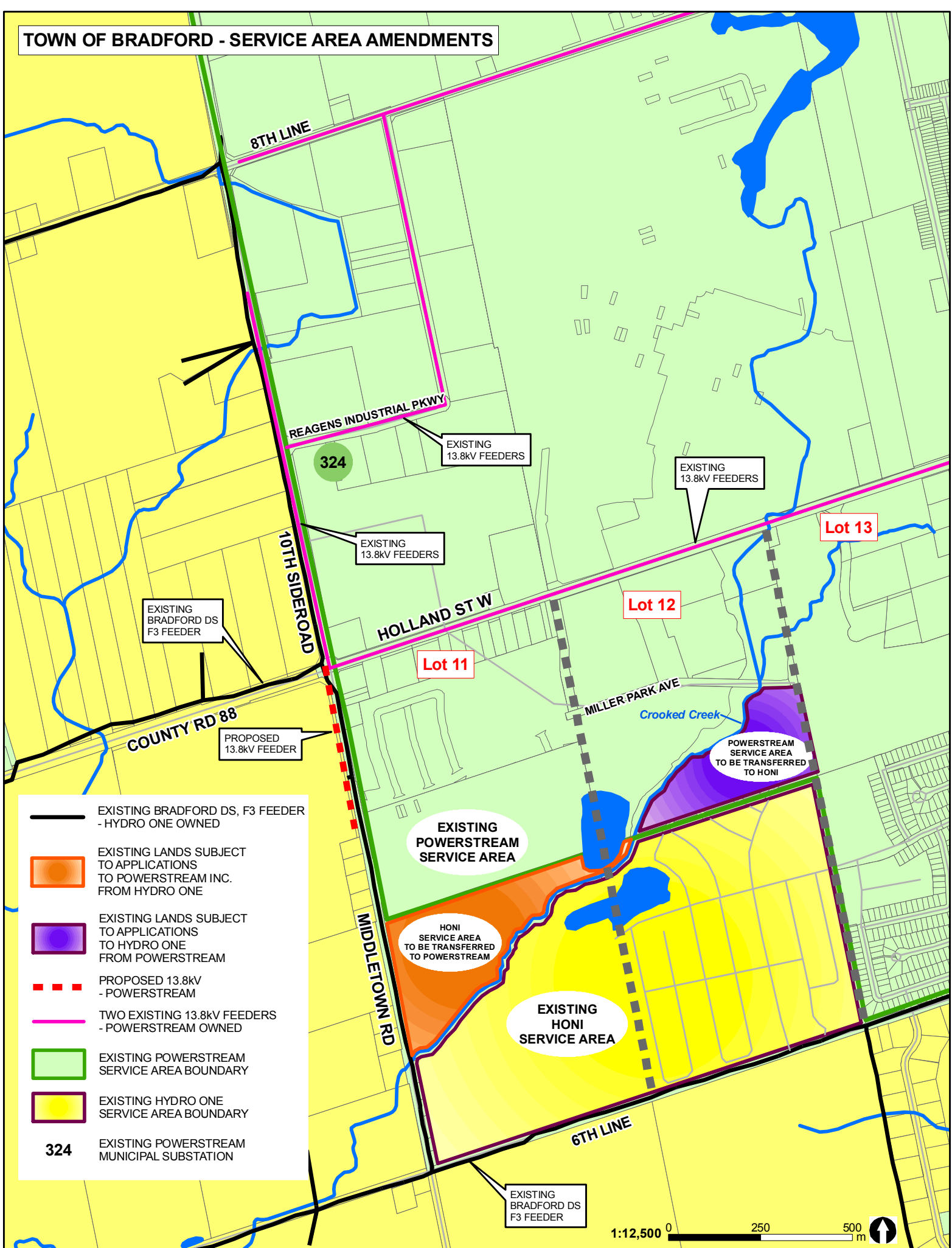
MAPS

LEGEND

-  EXISTING LANDS SUBJECT TO APPLICATIONS TO POWERSTREAM INC. FROM HYDRO ONE
-  EXISTING LANDS SUBJECT TO APPLICATIONS TO HYDRO ONE FROM POWERSTREAM
-  PROPOSED 13.8kV
-  TWO EXISTING 13.8kV FEEDERS - POWERSTREAM OWNED
-  EXISTING POWERSTREAM SERVICE AREA BOUNDARY
-  EXISTING HYDRO ONE SERVICE AREA BOUNDARY
-  URBAN BOUNDARY
- 324 EXISTING POWERSTREAM MUNICIPAL SUBSTATION



TOWN OF BRADFORD - SERVICE AREA AMENDMENTS



ATTACHMENT 2

Letters

January 30, 2012

Mr. Joe Bonadie,
PowerStream
161 Cityview Blvd.
Vaughan, Ontario
L4H 09A

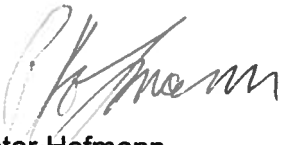
Dear Mr. Bonadie:

**Re: PowerStream & Hydro one Networks Inc.
Service Area Amendment Application
Town Of Bradford West Gwillimbury**

This letter is being sent to inform you that Brookfield Homes (Ontario) Limited is in support of Hydro One Networks Inc. and PowerStream Inc, Service Area Amendment application to the Ontario Energy Board to amend their licenses to modify the service boundaries to align with the proposed subdivision plans, and that the application proceed without a hearing.

We trust this is satisfactory, and would ask that you please contact the undersigned should you have any questions or require further information.

Yours truly,
Brookfield Homes (Ontario) Limited



Peter Hofmann
Director Land Development
(905) 948-5035

cc. P. Schut, Brookfield Homes (Ontario) Limited
J. Craig, Mod-aire Developments

Honeycut Land Inc.
P.O. Box 1060
Bradford, Ontario
L3Z 2B5

(905) 775-4882
Fax: (905) 775-4350

February 14, 2012

Ms. Stefanie S. Urbanowicz
Hydro One Networks Inc.
483 Bay Street
North Tower, 14th Floor
Toronto, Ontario
M5G 2P5

and

Mr. Joe Bonadie
PowerStream
161 Cityview Blvd.
Vaughan, Ontario
L4H 09A

Dear Ms. Urbanowicz:

Re: PowerStream and Hydro One Networks Inc.
Service Area Amendment Application
Town of Bradford West Gwillimbury

Honeycut Land Inc., and Triple-R-Ranch Co. Ltd., own property within the area that PowerStream and Hydro One have made an application to the Ontario Energy Board to modify service boundaries in accordance with the attached plan and to proceed without a hearing.

Honeycut and Triple-R support the proposed amendments and in addition to this letter will provide such further support of the application as you deem necessary.

Yours truly,

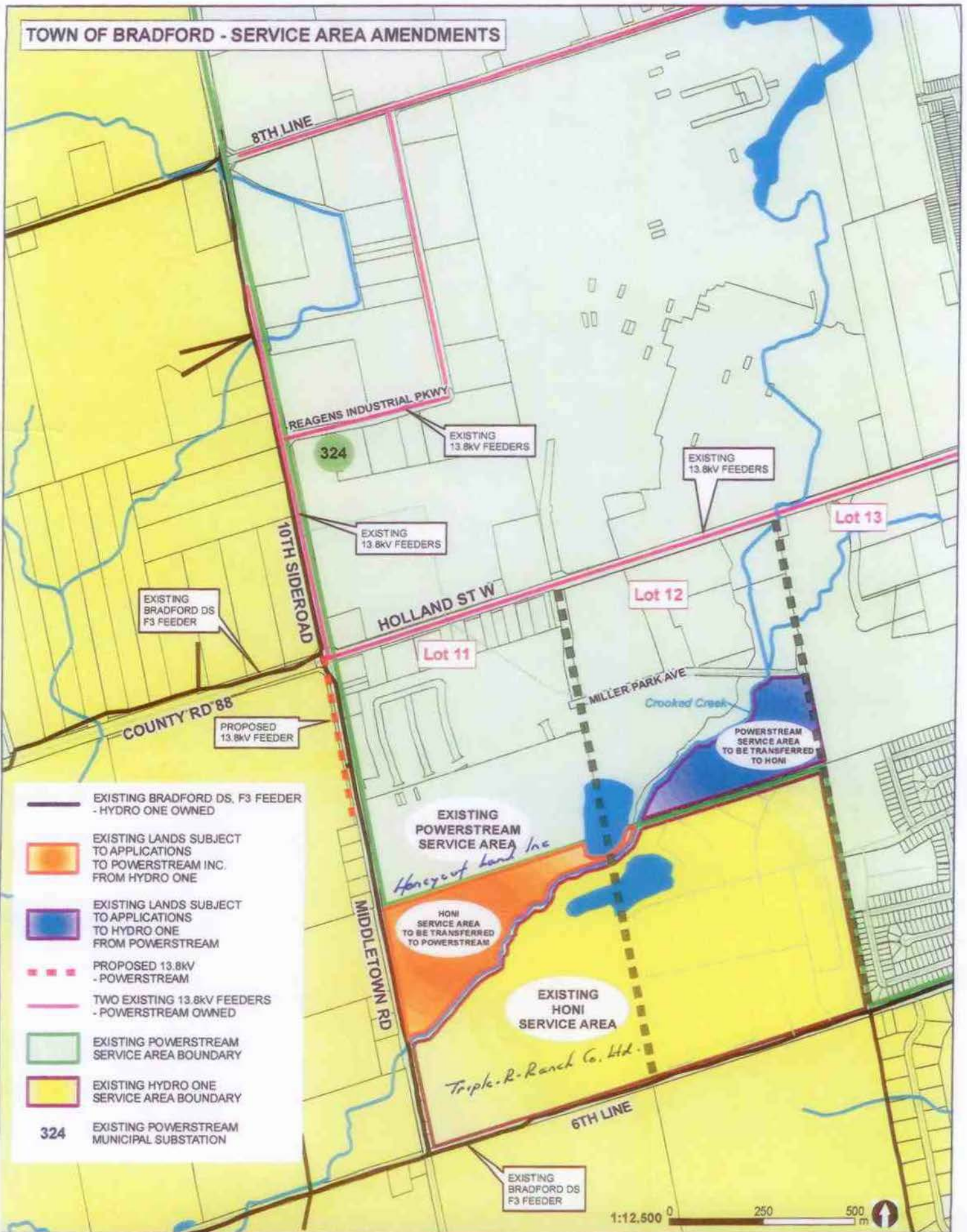


Jim Craig
President

JC/pg

cc: P. Hoffman
P. Schut

TOWN OF BRADFORD - SERVICE AREA AMENDMENTS



ATTACHMENT 3

PowerStream Distribution Licence



Electricity Distribution Licence

ED-2004-0420

PowerStream Inc.

Valid Until

August 29, 2024

Original signed by

Kirsten Walli

Board Secretary

Ontario Energy Board

Date of Issuance: August 30, 2004

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1 Definitions

In this Licence:

“Accounting Procedures Handbook” means the handbook, approved by the Board which specifies the accounting records, accounting principles and accounting separation standards to be followed by the Licensee;

“Act” means the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

“Affiliate Relationships Code for Electricity Distributors and Transmitters” means the code, approved by the Board which, among other things, establishes the standards and conditions for the interaction between electricity distributors or transmitters and their respective affiliated companies;

“Conservation and Demand Management” and **“CDM”** means distribution activities and programs to reduce electricity consumption and peak provincial electricity demand;

“Conservation and Demand Management Code for Electricity Distributors” means the code approved by the Board which, among other things, establishes the rules and obligations surrounding Board approved programs to help distributors meet their CDM Targets;

“distribution services” means services related to the distribution of electricity and the services the Board has required distributors to carry out, including the sales of electricity to consumers under section 29 of the Act, for which a charge or rate has been established in the Rate Order;

“Distribution System Code” means the code approved by the Board which, among other things, establishes the obligations of the distributor with respect to the services and terms of service to be offered to customers and retailers and provides minimum, technical operating standards of distribution systems;

“Electricity Act” means the *Electricity Act, 1998*, S.O. 1998, c. 15, Schedule A;

“Licensee” means PowerStream Inc.

“Market Rules” means the rules made under section 32 of the Electricity Act;

“Net Annual Peak Demand Energy Savings Target” means the reduction in a distributor’s peak electricity demand persisting at the end of the four-year period (i.e. December 31, 2014) that coincides with the provincial peak electricity demand that is associated with the implementation of CDM Programs;

“Net Cumulative Energy Savings Target” means the total amount of reduction in electricity consumption associated with the implementation of CDM Programs between 2011-2014;

“OPA” means the Ontario Power Authority;

“Performance Standards” means the performance targets for the distribution and connection activities of the Licensee as established by the Board in accordance with section 83 of the Act;

“Provincial Brand” means any mark or logo that the Province has used or is using, created or to be created by or on behalf of the Province, and which will be identified to the Board by the Ministry as a provincial mark or logo for its conservation programs;

“Rate Order” means an Order or Orders of the Board establishing rates the Licensee is permitted to charge;

“regulation” means a regulation made under the Act or the Electricity Act;

“Retail Settlement Code” means the code approved by the Board which, among other things, establishes a distributor’s obligations and responsibilities associated with financial settlement among retailers and consumers and provides for tracking and facilitating consumer transfers among competitive retailers;

“service area” with respect to a distributor, means the area in which the distributor is authorized by its licence to distribute electricity;

“Standard Supply Service Code” means the code approved by the Board which, among other things, establishes the minimum conditions that a distributor must meet in carrying out its obligations to sell electricity under section 29 of the Electricity Act;

“wholesaler” means a person that purchases electricity or ancillary services in the IESO administered markets or directly from a generator or, a person who sells electricity or ancillary services through the IESO-administered markets or directly to another person other than a consumer.

2 Interpretation

- 2.1 In this Licence, words and phrases shall have the meaning ascribed to them in the Act or the Electricity Act. Words or phrases importing the singular shall include the plural and vice versa. Headings are for convenience only and shall not affect the interpretation of the Licence. Any reference to a document or a provision of a document includes an amendment or supplement to, or a replacement of, that document or that provision of that document. In the computation of time under this Licence, where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens and where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

3 Authorization

- 3.1 The Licensee is authorized, under Part V of the Act and subject to the terms and conditions set out in this Licence:
- a) to own and operate a distribution system in the service area described in Schedule 1 of this Licence;

- b) to retail electricity for the purposes of fulfilling its obligation under section 29 of the Electricity Act in the manner specified in Schedule 2 of this Licence; and
- c) to act as a wholesaler for the purposes of fulfilling its obligations under the Retail Settlement Code or under section 29 of the Electricity Act.

4 Obligation to Comply with Legislation, Regulations and Market Rules

- 4.1 The Licensee shall comply with all applicable provisions of the Act and the Electricity Act and regulations under these Acts, except where the Licensee has been exempted from such compliance by regulation.
- 4.2 The Licensee shall comply with all applicable Market Rules.

5 Obligation to Comply with Codes

- 5.1 The Licensee shall at all times comply with the following Codes (collectively the "Codes") approved by the Board, except where the Licensee has been specifically exempted from such compliance by the Board. Any exemptions granted to the licensee are set out in Schedule 3 of this Licence. The following Codes apply to this Licence:
 - a) the Affiliate Relationships Code for Electricity Distributors and Transmitters;
 - b) the Distribution System Code;
 - c) the Retail Settlement Code; and
 - d) the Standard Supply Service Code.
- 5.2 The Licensee shall:
 - a) make a copy of the Codes available for inspection by members of the public at its head office and regional offices during normal business hours; and
 - b) provide a copy of the Codes to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

6 Obligation to Provide Non-discriminatory Access

- 6.1 The Licensee shall, upon the request of a consumer, generator or retailer, provide such consumer, generator or retailer with access to the Licensee's distribution system and shall convey electricity on behalf of such consumer, generator or retailer in accordance with the terms of this Licence.

7 Obligation to Connect

- 7.1 The Licensee shall connect a building to its distribution system if:
 - a) the building lies along any of the lines of the distributor's distribution system; and

- b) the owner, occupant or other person in charge of the building requests the connection in writing.

7.2 The Licensee shall make an offer to connect a building to its distribution system if:

- a) the building is within the Licensee's service area as described in Schedule 1; and
- b) the owner, occupant or other person in charge of the building requests the connection in writing.

7.3 The terms of such connection or offer to connect shall be fair and reasonable and made in accordance with the Distribution System Code, and the Licensee's Rate Order as approved by the Board.

7.4 The Licensee shall not refuse to connect or refuse to make an offer to connect unless it is permitted to do so by the Act or a regulation or any Codes to which the Licensee is obligated to comply with as a condition of this Licence.

8 Obligation to Sell Electricity

8.1 The Licensee shall fulfill its obligation under section 29 of the Electricity Act to sell electricity in accordance with the requirements established in the Standard Supply Service Code, the Retail Settlement Code and the Licensee's Rate Order as approved by the Board.

9 Obligation to Maintain System Integrity

9.1 The Licensee shall maintain its distribution system in accordance with the standards established in the Distribution System Code and Market Rules, and have regard to any other recognized industry operating or planning standards adopted by the Board.

10 Market Power Mitigation Rebates

10.1 The Licensee shall comply with the pass through of Ontario Power Generation rebate conditions set out in Appendix A of this Licence.

11 Distribution Rates

11.1 The Licensee shall not charge for connection to the distribution system, the distribution of electricity or the retailing of electricity to meet its obligation under section 29 of the Electricity Act except in accordance with a Rate Order of the Board.

12 Separation of Business Activities

12.1 The Licensee shall keep financial records associated with distributing electricity separate from its financial records associated with transmitting electricity or other activities in accordance with the Accounting Procedures Handbook and as otherwise required by the Board.

13 Expansion of Distribution System

- 13.1 The Licensee shall not construct, expand or reinforce an electricity distribution system or make an interconnection except in accordance with the Act and Regulations, the Distribution System Code and applicable provisions of the Market Rules.
- 13.2 In order to ensure and maintain system integrity or reliable and adequate capacity and supply of electricity, the Board may order the Licensee to expand or reinforce its distribution system in accordance with Market Rules and the Distribution System Code, or in such a manner as the Board may determine.

14 Provision of Information to the Board

- 14.1 The Licensee shall maintain records of and provide, in the manner and form determined by the Board, such information as the Board may require from time to time.
- 14.2 Without limiting the generality of paragraph 14.1, the Licensee shall notify the Board of any material change in circumstances that adversely affects or is likely to adversely affect the business, operations or assets of the Licensee as soon as practicable, but in any event no more than twenty (20) days past the date upon which such change occurs.
- 14.3 The Licensee shall:
- a) immediately notify the Board in writing of the notice; and
 - b) provide a plan to the Board as soon as possible, but no later than ten (10) days after the receipt of the notice, as to how the affected distribution services will be maintained in compliance with the terms of this licence.

15 Restrictions on Provision of Information

- 15.1 The Licensee shall not use information regarding a consumer, retailer, wholesaler or generator obtained for one purpose for any other purpose without the written consent of the consumer, retailer, wholesaler or generator.
- 15.2 The Licensee shall not disclose information regarding a consumer, retailer, wholesaler or generator to any other party without the written consent of the consumer, retailer, wholesaler or generator, except where such information is required to be disclosed:
- a) to comply with any legislative or regulatory requirements, including the conditions of this Licence;
 - b) for billing, settlement or market operations purposes;
 - c) for law enforcement purposes; or
 - d) to a debt collection agency for the processing of past due accounts of the consumer, retailer, wholesaler or generator.

- 15.3 The Licensee may disclose information regarding consumers, retailers, wholesalers or generators where the information has been sufficiently aggregated such that their particular information cannot reasonably be identified.
- 15.4 The Licensee shall inform consumers, retailers, wholesalers and generators of the conditions under which their information may be released to a third party without their consent.
- 15.5 If the Licensee discloses information under this section, the Licensee shall ensure that the information provided will not be used for any other purpose except the purpose for which it was disclosed.

16 Customer Complaint and Dispute Resolution

- 16.1 The Licensee shall:
- a) have a process for resolving disputes with customers that deals with disputes in a fair, reasonable and timely manner;
 - b) publish information which will make its customers aware of and help them to use its dispute resolution process;
 - c) make a copy of the dispute resolution process available for inspection by members of the public at each of the Licensee's premises during normal business hours;
 - d) give or send free of charge a copy of the process to any person who reasonably requests it; and
 - e) subscribe to and refer unresolved complaints to an independent third party complaints resolution service provider selected by the Board. This condition will become effective on a date to be determined by the Board. The Board will provide reasonable notice to the Licensee of the date this condition becomes effective.

17 Term of Licence

- 17.1 This Licence shall take effect on August 30, 2004 and expire on August 29, 2024. The term of this Licence may be extended by the Board.

18 Fees and Assessments

- 18.1 The Licensee shall pay all fees charged and amounts assessed by the Board.

19 Communication

- 19.1 The Licensee shall designate a person that will act as a primary contact with the Board on matters related to this Licence. The Licensee shall notify the Board promptly should the contact details change.
- 19.2 All official communication relating to this Licence shall be in writing.
- 19.3 All written communication is to be regarded as having been given by the sender and received by the addressee:

- a) when delivered in person to the addressee by hand, by registered mail or by courier;
- b) ten (10) business days after the date of posting if the communication is sent by regular mail; and
- c) when received by facsimile transmission by the addressee, according to the sender's transmission report.

20 Copies of the Licence

20.1 The Licensee shall:

- a) make a copy of this Licence available for inspection by members of the public at its head office and regional offices during normal business hours; and
- b) provide a copy of this Licence to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

21 Conservation and Demand Management

21.1 The Licensee shall achieve reductions in electricity consumption and reductions in peak provincial electricity demand through the delivery of CDM programs. The Licensee shall meet its 2014 Net Annual Peak Demand Savings Target of 95.570 MW, and its 2011-2014 Net Cumulative Energy Savings Target of 407.340 GWh (collectively the "CDM Targets"), over a four-year period beginning January 1, 2011.

21.2 The Licensee shall meet its CDM Targets through:

- a) the delivery of Board approved CDM Programs delivered in the Licensee's service area ("Board-Approved CDM Programs");
- b) the delivery of CDM Programs that are made available by the OPA to distributors in the Licensee's service area under contract with the OPA ("OPA-Contracted Province-Wide CDM Programs"); or
- c) a combination of a) and b).

21.3 The Licensee shall make its best efforts to deliver a mix of CDM Programs to all consumer types in the Licensee's service area.

21.4 The Licensee shall comply with the rules mandated by the Board's Conservation and Demand Management Code for Electricity Distributors.

21.5 The Licensee shall utilize the common Provincial brand, once available, with all Board-Approved CDM Programs, OPA-Contracted Province-Wide Programs, and in conjunction with or co-branded with the Licensee's own brand or marks.

SCHEDULE 1 DEFINITION OF DISTRIBUTION SERVICE AREA

This Schedule, in conjunction with Appendix B specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with paragraph 8.1 of this Licence.

1. The Town of Markham as of January 1, 1979.
2. The service area is co-terminus with the City of Vaughan municipal boundary pursuant to the Regional Municipality of York Act, R.S.O. 1990, R.18, with the exception of an area two lots north of King-Vaughan Rd. abutting 7th Concession of the Town of King, as detailed in the parcel lot descriptions noted in Appendix B.
3. The Town of Richmond Hill as of January 1, 1979, with the exception of the boundary along Bathurst St, two lots north of King-Vaughan Rd. to Bloomington Rd., noted in Appendix B.
4. The Town of Aurora as of January 1, 1979, with the exception of the boundary along Bathurst St, seven lots north of Bloomington Rd. to two lots north of St. John's Sideroad, noted in Appendix B.
5. Lands located 45m south of the center-line of Castlemore Rd and 37.5m west of the center-line of Highway 50 in the City of Brampton.

6. City of Barrie Service Area:

Within the municipal boundary of the City of Barrie as detailed firstly in Schedules A and B to the Barrie-Innisfil Annexation Act, 1981, secondly in the Schedule to the Barrie-Vespra Annexation Act, 1984 and thirdly as shown on Reference Map Document Number 4884 included on page 4 of "Schedule 1 Definition of Distribution Service Area" dated March 10, 2004, filed as supplementary material with the Board.

7. Community of Bradford West Gwillimbury Service Area:

Within the Community of Bradford West Gwillimbury as detailed firstly as the "Expansion Service Area" in Schedule 'B' and 'C' to the Corporation of the Town of Bradford-West Gwillimbury By-law 95-048 dated September 11, 1995, secondly the portions of the Hydro One letter pertaining to Bradford-West Gwillimbury dated November 27, 2003 and thirdly as shown on Reference Map Document Number 4993 included on page 5 of "Schedule 1 Definition of Distribution Service Area" dated March 10, 2004, filed as supplementary material with the Board.

8. Community of Thornton Service Area:

Within the Community of Thornton as detailed firstly in the Thornton Settlement Area in accordance with Schedule "A" of the Official Plan of the Township of Essa as approved by the County of Simcoe, April 22, 2003 and secondly as shown on Reference Map Document Number 5009 included on page 6 of "Schedule 1 Definition of Distribution Service Area" dated March 10, 2004, filed as supplementary material with the Board, excluding the following municipal addresses:

- #s 6, 8, 10, 12, 19, 21, 23, 25, 27, 28, 29, 30, 31, 32, 33, 34 and 35 Earl's Court;

- # 4520 Robert Street (or County Road 21 Pt.16 Concession11);
- all residential lots fronting onto Jamieson Court from Thornton Ave to the cul-de-sac dead end;
- #'s 218, 219, 220, 221, 222, 223, 224, 225, 226, 227, 228, 229, 230, 231, and 232 Thornton Avenue;
- all residential lots fronting onto Lennox Court from Spence Avenue to the cul-de-sac dead end;
- all residential lots fronting onto Spencer Avenue except # 221 Spencer Avenue from Thornton Avenue to North Ridge Road;
- all residential lots fronting onto North Ridge Road except #'s 204 and 205 from Camilla Crescent to Spencer Avenue.

9. Community of Alliston Service Area:

Within the Community of Alliston as detailed firstly as the "Alliston Urban Area Expansion" in Schedule 'A' to the Corporation of the Town of the Amalgamated Municipalities of Alliston, Beeton, Tecumseth & Tottenham By-law 91-169 dated October 15, 1991 (entitled "H.E.C. Service Area Expansion By-Law") and secondly as shown on Reference Map Document Number 5720 included on page 7 of "Schedule 1 Definition of Distribution Service Area" dated March 10, 2004, filed as supplementary material with the Board, excluding the consumer located at 4700 Tottenham Road.

10. Community of Beeton Service Area:

Within the Community of Beeton as detailed firstly as the "Beeton Urban Area Expansion" in Schedule 'A' to the Corporation of the Town of the Amalgamated Municipalities of Alliston, Beeton, Tecumseth & Tottenham By-law 91-169 dated October 15, 1991 (entitled "H.E.C. Service Area Expansion By-Law") and secondly as shown on Reference Map Document Number 4982 included on page 8 of "Schedule 1 Definition of Distribution Service Area" dated March 10, 2004, filed as supplementary material with the Board.

11. Community of Tottenham Service Area:

Within the Community of Tottenham as detailed firstly as the "Tottenham Urban Area Expansion" in Schedule 'A' to the Corporation of the Town of the Amalgamated Municipalities of Alliston, Beeton, Tecumseth & Tottenham By-law 91-169 dated October 15, 1991 (entitled "H.E.C. Service Area Expansion By-Law") and secondly as shown on Reference Map Document Number 5013 included on page 9 of "Schedule 1 Definition of Distribution Service Area" dated March 10, 2004, filed as supplementary material with the Board. It is noted that the "Beeton Creek" referenced in this schedule is technically a tributary to the actual Beeton Creek. The location of this tributary creek is shown on the Reference Map and it is to the east of the former Village of Tottenham.

12. Community of Penetanguishene Service Area:

Within the Community of Penetanguishene as detailed firstly as the "Boundary Expansion Agreement" or "Annexation Transfer Agreement" dated December 31, 1998 between the former Ontario Hydro and the Penetanguishene Hydro-Electric Commission and secondly as shown on Reference Map Document Number 5001 included on page 10 of "Schedule 1 Definition of Distribution Service Area" dated March 10, 2004, filed as supplementary material with the Board.

SCHEDULE 2 PROVISION OF STANDARD SUPPLY SERVICE

This Schedule specifies the manner in which the Licensee is authorized to retail electricity for the purposes of fulfilling its obligation under section 29 of the Electricity Act.

1. Licensee is authorized to retail electricity directly to consumers within its service area in accordance with paragraph 8.1 of this Licence, any applicable exemptions to this Licence, and at the rates set out in the Rate Orders.

SCHEDULE 3 LIST OF CODE EXEMPTIONS

This Schedule specifies any specific Code requirements from which the Licensee has been exempted.

1. The Licensee is exempt from the requirements of section 2.5.3 of the Standard Supply Service Code with respect to the price for small volume/residential consumers, subject to the Licensee offering an equal billing plan as described in its application for exemption from Fixed Reference Price, and meeting all other undertakings and material representations contained in the application and the materials filed in connection with it.

APPENDIX A MARKET POWER MITIGATION REBATES

1. Definitions and Interpretations

In this Licence

“embedded distributor” means a distributor who is not a market participant and to whom a host distributor distributes electricity;

“embedded generator” means a generator who is not a market participant and whose generation facility is connected to a distribution system of a distributor, but does not include a generator who consumes more electricity than it generates;

“host distributor” means a distributor who is a market participant and who distributes electricity to another distributor who is not a market participant.

In this Licence, a reference to the payment of a rebate amount by the IESO includes interim payments made by the IESO.

2. Information Given to IESO

- a Prior to the payment of a rebate amount by the IESO to a distributor, the distributor shall provide the IESO, in the form specified by the IESO and before the expiry of the period specified by the IESO, with information in respect of the volumes of electricity withdrawn by the distributor from the IESO-controlled grid during the rebate period and distributed by the distributor in the distributor’s service area to:
 - i consumers served by a retailer where a service transaction request as defined in the Retail Settlement Code has been implemented; and
 - ii consumers other than consumers referred to in clause (i) who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998*.
- b Prior to the payment of a rebate amount by the IESO to a distributor which relates to electricity consumed in the service area of an embedded distributor, the embedded distributor shall provide the host distributor, in the form specified by the IESO and before the expiry of the period specified in the Retail Settlement Code, with the volumes of electricity distributed during the rebate period by the embedded distributor’s host distributor to the embedded distributor net of any electricity distributed to the embedded distributor which is attributable to embedded generation and distributed by the embedded distributor in the embedded distributor’s service area to:
 - i consumers served by a retailer where a service transaction request as defined in the Retail Settlement Code has been implemented; and
 - ii consumers other than consumers referred to in clause (i) who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998*.
- c Prior to the payment of a rebate amount by the IESO to a distributor which relates to electricity consumed in the service area of an embedded distributor, the host distributor shall provide the IESO, in the form specified by the IESO and before the expiry of the period specified by the

IESO, with the information provided to the host distributor by the embedded distributor in accordance with section 2.

The IESO may issue instructions or directions providing for any information to be given under this section. The IESO shall rely on the information provided to it by distributors and there shall be no opportunity to correct any such information or provide any additional information and all amounts paid shall be final and binding and not subject to any adjustment.

For the purposes of attributing electricity distributed to an embedded distributor to embedded generation, the volume of electricity distributed by a host distributor to an embedded distributor shall be deemed to consist of electricity withdrawn from the IESO-controlled grid or supplied to the host distributor by an embedded generator in the same proportion as the total volume of electricity withdrawn from the IESO-controlled grid by the distributor in the rebate period bears to the total volume of electricity supplied to the distributor by embedded generators during the rebate period.

3. Pass Through of Rebate

A distributor shall promptly pass through, with the next regular bill or settlement statement after the rebate amount is received, any rebate received from the IESO, together with interest at the Prime Rate, calculated and accrued daily, on such amount from the date of receipt, to:

- a retailers who serve one or more consumers in the distributor's service area where a service transaction request as defined in the Retail Settlement Code has been implemented;
- b consumers who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998* and who are not served by a retailer where a service transaction request as defined in the Retail Settlement Code has been implemented; and
- c embedded distributors to whom the distributor distributes electricity.

The amounts paid out to the recipients listed above shall be based on energy consumed and calculated in accordance with the rules set out in the Retail Settlement Code. These payments may be made by way of set off at the option of the distributor.

If requested in writing by OPGI, the distributor shall ensure that all rebates are identified as coming from OPGI in the following form on or with each applicable bill or settlement statement:

"ONTARIO POWER GENERATION INC. rebate"

Any rebate amount which cannot be distributed as provided above or which is returned by a retailer to the distributor in accordance with its licence shall be promptly returned to the host distributor or IESO as applicable, together with interest at the Prime Rate, calculated and accrued daily, on such amount from the date of receipt.

Nothing shall preclude an agreement whereby a consumer assigns the benefit of a rebate payment to a retailer or another party.

Pending pass-through or return to the IESO of any rebate received, the distributor shall hold the funds received in trust for the beneficiaries thereof in a segregated account.

ONTARIO POWER GENERATION INC. REBATES

For the payments that relate to the period from May 1, 2006 to April 30, 2009, the rules set out below shall apply.

1. Definitions and Interpretations

In this Licence

“embedded distributor” means a distributor who is not a market participant and to whom a host distributor distributes electricity;

“embedded generator” means a generator who is not a market participant and whose generation facility is connected to a distribution system of a distributor, but does not include a generator who consumes more electricity than it generates;

“host distributor” means a distributor who is a market participant and who distributes electricity to another distributor who is not a market participant.

In this Licence, a reference to the payment of a rebate amount by the IESO includes interim payments made by the IESO.

2. Information Given to IESO

- a Prior to the payment of a rebate amount by the IESO to a distributor, the distributor shall provide the IESO, in the form specified by the IESO and before the expiry of the period specified by the IESO, with information in respect of the volumes of electricity withdrawn by the distributor from the IESO-controlled grid during the rebate period and distributed by the distributor in the distributor's service area to:
 - i consumers served by a retailer where a service transaction request as defined in the Retail Settlement Code has been implemented and the consumer is not receiving the prices established under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998*; and
 - ii consumers other than consumers referred to in clause (i) who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998*.
- b Prior to the payment of a rebate amount by the IESO to a distributor which relates to electricity consumed in the service area of an embedded distributor, the embedded distributor shall provide the host distributor, in the form specified by the IESO and before the expiry of the period specified in the Retail Settlement Code, with the volumes of electricity distributed during the rebate period by the embedded distributor's host distributor to the embedded distributor net of any electricity distributed to the embedded distributor which is attributable to embedded generation and distributed by the embedded distributor in the embedded distributor's service area to:
 - i consumers served by a retailer where a service transaction request as defined in the Retail Settlement Code has been implemented; and

- ii consumers other than consumers referred to in clause (i) who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998*.
- c Prior to the payment of a rebate amount by the IESO to a distributor which relates to electricity consumed in the service area of an embedded distributor, the host distributor shall provide the IESO, in the form specified by the IESO and before the expiry of the period specified by the IESO, with the information provided to the host distributor by the embedded distributor in accordance with section 2.

The IESO may issue instructions or directions providing for any information to be given under this section. The IESO shall rely on the information provided to it by distributors and there shall be no opportunity to correct any such information or provide any additional information and all amounts paid shall be final and binding and not subject to any adjustment.

For the purposes of attributing electricity distributed to an embedded distributor to embedded generation, the volume of electricity distributed by a host distributor to an embedded distributor shall be deemed to consist of electricity withdrawn from the IESO-controlled grid or supplied to the host distributor by an embedded generator in the same proportion as the total volume of electricity withdrawn from the IESO-controlled grid by the distributor in the rebate period bears to the total volume of electricity supplied to the distributor by embedded generators during the rebate period.

3. Pass Through of Rebate

A distributor shall promptly pass through, with the next regular bill or settlement statement after the rebate amount is received, any rebate received from the IESO, together with interest at the Prime Rate, calculated and accrued daily, on such amount from the date of receipt, to:

- a retailers who serve one or more consumers in the distributor's service area where a service transaction request as defined in the Retail Settlement Code has been implemented and the consumer is not receiving the prices established under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998*;
- b consumers who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998* and who are not served by a retailer where a service transaction request as defined in the Retail Settlement Code has been implemented; and
- c embedded distributors to whom the distributor distributes electricity.

The amounts paid out to the recipients listed above shall be based on energy consumed and calculated in accordance with the rules set out in the Retail Settlement Code. These payments may be made by way of set off at the option of the distributor.

If requested in writing by OPGI, the distributor shall ensure that all rebates are identified as coming from OPGI in the following form on or with each applicable bill or settlement statement:

“ONTARIO POWER GENERATION INC. rebate”

Any rebate amount which cannot be distributed as provided above or which is returned by a retailer to the distributor in accordance with its licence shall be promptly returned to the host distributor or IESO as applicable, together with interest at the Prime Rate, calculated and accrued daily, on such amount from the date of receipt.

Nothing shall preclude an agreement whereby a consumer assigns the benefit of a rebate payment to a retailer or another party.

Pending pass-through or return to the IESO of any rebate received, the distributor shall hold the funds received in trust for the beneficiaries thereof in a segregated account.

APPENDIX B LAND DESCRIPTIONS

No.	Area	Legal Description	No.	Area	Legal Description
1	Vaughan	PT LOT 2, CON 7, PTS 6 & 8, 65R24532; KING ; T/W R216549; S/T EASE OVER PT 6, 65R24532 AS IN A24558A AND RENEWED BY R610943.	17	Richmond Hill	PT LT 5 CON 2 KING PT 22 65R531 ; KING
2	Vaughan	PT E 1/2 LT 2 CON 7 KING; PT LT 3 CON 7 KING AS IN R707971; S/T & T/W B35507B ; S/T A24558A KING	18	Richmond Hill	PT LT 5 CON 2 KING PT 22 65R531 ; KING
3	Vaughan	PT LT 2 CON 6 KING AS IN A55205A EXCEPT PTS 1 & 2 65R18259 ; KING	19	Richmond Hill	PT LT 2 CON 2 KING; PT LT 3 CON 2 KING AS IN B16975B, B19261B & A29730A EXCEPT PTS 4 & 5 65R14738 & PTS 8 & 9 65R531 ; KING
4	Vaughan	PT LT 2 CON 6 KING AS IN A55205A EXCEPT PTS 1 & 2 65R18259 ; KING	20	Richmond Hill	LOT 5, CONCESSION 2, KING
5	Vaughan	PT E 1/2 LT 2 CON 7 KING; PT LT 3 CON 7 KING AS IN R707971; S/T & T/W B35507B ; S/T A24558A KING	21	Richmond Hill	PT LT 3 CON 2 KING PT 2 65R5820 ; KING
6	Vaughan	PT E 1/2 LT 2 CON 7 KING; PT LT 3 CON 7 KING AS IN R707971; S/T & T/W B35507B ; S/T A24558A KING	22	Richmond Hill	PT LT 5 CON 2 KING PT 2 65R599 ; KING
7	Vaughan	PT LT 3 CON 6 KING AS IN R184760 ; KING	23	Richmond Hill	PT LT 5 CON 2 KING PT 2 65R599 ; KING
8	Vaughan	PT LT 3 CON 6 KING AS IN R184760 ; KING	24	Vaughan	LOT 2, CONCESSION 2, KING TWSHP
9	Richmond Hill	PT LT 5 CON 2 KING PT 2 65R599 ; KING	25	Vaughan	PT LT 5 CON 2 KING PT 2 65R599 ; KING
10	Richmond Hill	PT LT 3 CON 2 KING PT 2 65R5820 ; KING	26	Richmond Hill	PT LT 5 CON 2 KING PT 2 65R599 ; KING
11	Richmond Hill	LOT 7, CONCESSION 2, KING	27	Vaughan	PT LT 5 CON 2 KING PT 2 65R599 ; KING
12	Richmond Hill	PT LT 5 CON 2 KING PT 22 65R531 ; KING	28	Aurora	PT LT 14 CON 2 KING AS IN R180958 EXCEPT PT 13 EXPROP PL R233113 ; KING ; SUBJECT TO EXECUTION 95-05877, IF ENFORCEABLE. ; SUBJECT TO EXECUTION 95-06771, IF ENFORCEABLE. ; SUBJECT TO EXECUTION 96-02878, IF ENFORCEABLE. ;
13	Richmond Hill	PT LT 5 CON 2 KING PT 22 65R531 ; KING	29	Aurora	PT LT 14 CON 2 KING AS IN KI25920 EXCEPT PT 11 EXPROP PL R233113 ; KING ; SUBJECT TO EXECUTION 96-06008, IF ENFORCEABLE. ;
14	Richmond Hill	PT LT 5 CON 2 KING PT 2 65R599 ; KING	30	Aurora	PT LT 14 CON 2 KING PT 1 65R2712 ; KING
15	Richmond Hill	PT LT 2 CON 2 KING; PT LT 3 CON 2 KING AS IN B16975B, B19261B & A29730A EXCEPT PTS 4 & 5 65R14738 & PTS 8 & 9 65R531 ; KING	31	Aurora	PT LT 14 CON 2 KING PT 1 65R2712 ; KING
16	Richmond Hill	PT LT 5 CON 2 KING PT 2 65R599 ; KING	32	Aurora	PT LT 15 CON 2 KING PT 2 65R8504 ; KING

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No.	Area	Legal Description	No.	Area	Legal Description
33	Aurora	PT LT 15 CON 2 KING PT 1 65R8504 ; KING	51	Aurora	PT LT 22 CON 2 KING; PT LT 23 CON 2 KING PT 1, 65R6742 ; KING
34	Aurora	PT LT 15 CON 2 KING AS IN B47985B EXCEPT PT 8 EXPROP PL R233113 ; KING	52	Aurora	PT LT 22 CON 2 KING; PT LT 23 CON 2 KING PT 1, 65R6742 ; KING
35	Aurora	PT SE1/4 LT 16 CON 2 KING PTS 2 & 3 65R10629; T/W R439940 ; KING	53	Aurora	PT LT 24 CON 2 KING AS IN R629682 T/W R137178 ; KING
36	Aurora	PT SE1/4 LT 16 CON 2 KING PTS 2 & 3 65R10629; T/W R439940 ; KING	54	Aurora	PT LT 24 CON 2 KING AS IN R629682 T/W R137178 ; KING
37	Aurora	PT NE1/4 LT 16 CON 2 KING PT 2 65R15552 ; KING	55	Aurora	PT LT 24, CON 2, (KING) IN R662420 EXCEPT PTS 1 & 2, PL 65R29165, KING
38	Aurora	PT NE1/4 LT 16 CON 2 KING; PT LT 17 CON 2 KING; PT LT 18 CON 2 KING PTS 1, 3 65R15552 ; KING	56	Aurora	LOT 16, CONCESSION 2, KING
39	Aurora	PT NE1/4 LT 16 CON 2 KING; PT LT 17 CON 2 KING; PT LT 18 CON 2 KING PTS 1, 3 65R15552 ; KING	57	Aurora	PT LT 15 CON 2 KING AS IN R166067 EXCEPT R242869 ; KING
40	Aurora	PT LT 18 CON 2 KING PT 1 65R5395 ; KING	58	Aurora	PT LT 15 CON 2 KING AS IN R400615 ; KING
41	Aurora	PT LT 18 CON 2 KING AS IN R602840 ; KING	59	Aurora	PT SE1/4 LT 16 CON 2 KING PT 1 65R3379; T/W R145038 ; KING
42	Aurora	LOT 18, CONCESION 2, KING TWSHP	60	Aurora	PT LT 14 CON 2 KING AS IN B50839B EXCEPT PTS 10 & 12 EXPROP PL R233113; PT LT 15 CON 2 KING AS IN B27240B EXCEPT PT 2 65R9307; T/W R406638 ; KING
43	Aurora	PT LT 18 CON 2 KING PT 1 65R13476 ; KING	61	Aurora	PT LT 14 CON 2 KING AS IN B50839B EXCEPT PTS 10 & 12 EXPROP PL R233113; PT LT 15 CON 2 KING AS IN B27240B EXCEPT PT 2 65R9307; T/W R406638 ; KING
44	Aurora	PT LT 18 CON 2 KING PT 1 65R13476 ; KING	62	Aurora	PT LT 15 CON 2 KING PTS 2, 3 & 4 65R17617; S/T R660937; T/W R660070. ; KING
45	Aurora	PT LT 18 CON 2 KING PT 1 65R609 EXCEPT PT 8 EXPROP PL R233114 ; KING	63	Aurora	PT LT 15 CON 2 KING PT 5 65R17617; T/W R660938 ; KING
46	Aurora	LOT 19, KING TWSHP	64	Aurora	NE1/4 LT 16 CON 2 KING PTS 1,2 65R3343; SE1/4 LT 16 CON 2 KING PTS 3,4 65R3343 ; KING
47	Aurora	LOT 19, KING TWSHP	65	Aurora	PT LT 13 CON 2 KING AS IN R306307 S/T INTEREST IN KI22671, S/T DEBTS IN R306307 ; KING
48	Aurora	PT LT 20 CON 2 KING PT 1 65R1245 EXCEPT PT 11, EXPROP PL R233114 ; KING	66	Aurora	PT SE1/4 LT 16 CON 2 KING PT 1, 65R20034; KING
49	Aurora	PT LT 21 CON 2 KING; PT LT 22 CON 2 KING AS IN B2661B EXCEPT PT 4 B33711B; DESCRIPTION MAY NOT BE ACCEPTABLE IN THE FUTURE AS IN B2661B ; KING	67	Aurora	PT SE1/4 LT 16 CON 2 KING PT 3, 65R20034; T/W R720871 ; KING ; SUBJECT TO EXECUTION 96-00974, IF ENFORCEABLE
50	Aurora	PT LT 22 CON 2 KING; PT LT 23 CON 2 KING PT 1, 65R6742 ; KING	68	Aurora	LOT 21, CONCESSION 2, KING TWNSHP