

July 27, 2012

**Delivered by Courier and RESS**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27th Floor  
Toronto, Ontario  
M4P 1E4  
Dear Ms. Walli:

**Re: Horizon Utilities Corporation - Application to Amend Licensed Service Area  
EB-2012-0047 – Response to the Ontario Energy Board’s (“OEB” or the “Board”) letter  
of June 27, 2012**

Horizon Utilities Corporation (“Horizon Utilities”) is a licensed electricity distributor in Ontario and operates under License Number ED-2006-0031. Horizon Utilities serves the cities of Hamilton and St. Catharines.

On June 15, 2012, Horizon Utilities filed an application with the Board to amend its service area (the “Application”) to include specific lands, currently located in the licensed distribution service area of Hydro One Networks Inc. (“Hydro One”), for the purpose of servicing these lands. Multi-Area Developments Inc. (the “Customer”) has requested that Horizon Utilities supply electricity to the subject lands, which represent a new phase of a larger residential development. As noted above, Horizon Utilities is not the geographic distributor for the subject area. The Board has, however, approved service area amendment applications made by Horizon Utilities and its predecessor, Hamilton Hydro Inc. that have allowed other phases of this development to be served by Horizon Utilities.

On June 27, 2012, Horizon Utilities received an acknowledgement letter from the Board indicating that the application was incomplete. In particular, the Board noted that the following items were outstanding:

- i) Hydro One’s Offer to Connect (“OTC”) and complete information as required by sections 7.5.3 to 7.5.5 of the Filing Requirements;
- ii) Section 7.5.6 - Comparable outage statistics for Hydro One for 2011;
- iii) Section 7.5.7 – Comparable quality and reliability of service statistics for Hydro One for 2011; and,
- iv) Clarity to the Board on how the service area amendment application will affect Schedule 1 of the Horizon Utilities licence ED-2006-0031 and the Hydro One licence ED-2003-0043.

Horizon Utilities will first address items ii), iii) and iv), followed by item i).

With respect to items i), ii) and iii) above, a request was sent to Hydro One on June 27, 2012 and Horizon Utilities has not been provided with this information. Horizon Utilities understands from the Customer that it has changed some of the specifications for connection and Hydro One is in the process of finalizing its OTC. Horizon Utilities is advised by the Customer that the Hydro One OTC may be available by July 27, 2012 but it is not clear that Horizon Utilities will have it for delivery to the Board by then. With the change in specifications, Horizon Utilities is determining what, if any, modifications will be required to its own OTC. Horizon Utilities anticipates receiving the Hydro One OTC and being in a position to provide its own revised OTC and the remaining outstanding information by August 10, 2012. Accordingly, Horizon Utilities respectfully requests that the Board extend the response date specified in its letter of June 27, 2012 by two weeks, to Friday, August 10, 2012.

Regarding item iv) above, Horizon Utilities respectfully submits that the following is a clear description of the amendment to Schedule 1 of each licence (to be added to Horizon Utilities' Schedule 1 and deleted from Hydro One's service area on Schedule 1):

*The former Township of Binbrook in the former Township of Glanbrook as of December 31, 1973, now in the City of Hamilton and described as Part of Township Lots Four (4) and Five (5), Block Four (4) of the First Concession of the Geographic Township of Binbrook City of Hamilton and known as Summit Park Phase Seven.*

Horizon Utilities is in receipt of a letter from the Customer dated July 24, 2012 outlining the urgency in having its construction site energized to begin building by mid-September. That letter is provided here as Appendix 1.

Horizon Utilities notes that the filing of a service area amendment application that is incomplete is contemplated in Chapter 7 of the Board's *Filing Requirements for Transmission and Distribution Applications* (the "Filing Requirements"). At page 3 of Chapter 7 of the Filing Requirements, the Board states:

*"For the purposes of these filing requirements, it is assumed that the applicant is a distributor who requires a service area amendment to its licence. Some of the information required by these filing requirements may be third-party information that the applicant does not have in its possession. In such cases, the applicant will be expected to use its best efforts to obtain the third-party information and comply with all provisions of these filing requirements. The Board may continue to process the SAA application notwithstanding the fact that the third-party information is not included with the filed SAA application. However, the Board will not determine the SAA application until all of the required information is filed during the course of the proceeding regardless of whether the information is provided by the applicant, the incumbent distributor (i.e., the distributor that currently has the region that is the subject of the SAA application in its service area), the customer, or other relevant third party. In appropriate cases, the Board may direct the relevant third parties to file the information required by the Board."*

Horizon Utilities respectfully requests that the Board continue to process this application by issuing its Letter of Direction and Notice of Application.

As a related matter, Horizon Utilities is in receipt of a letter of intervention from Mr. Jay Shepherd on behalf of the School Energy Coalition. Horizon Utilities does intend to address Mr. Shepherd's letter, but believes that it is more appropriate to do so once the period for intervention requests has closed. Horizon Utilities has not yet received a Notice of Application and Letter of Direction from the Board, and it is therefore possible that other requests for intervenor status may be delivered following the publication of the notice. Horizon Utilities will respond to Mr. Shepherd's intervention request and any others that may be received following publication of the notice and the close of the intervention period.

Two hard copies of this letter will be delivered by courier.

Yours truly,

*Original signed by Jamie Gribbon,*

*for*

Indy J. Butany-DeSouza  
Vice-President, Regulatory Affairs  
Horizon Utilities Corporation

# APPENDIX 1



**MULTI-AREA**  
DEVELOPMENTS INC.

July 24, 2012

Attn: Mr. Daniel Roberge  
Manager, Capital Projects  
Horizon Utilities Corporation  
P.O. Box 2249 Station LCD 1  
Hamilton, ON L8N 3E4

Dear Daniel,

**RE: Request for Electrical Supply**

This letter will confirm the request of Multi-Area Developments Inc. to Horizon Utilities Corporation for the supply of electricity to lands at the South East corner of Rymal Road East and Fletcher's Road.(Summit Park Phase 7) The initial date that we requested power for was April 1, 2012. We have model homes that we have been forced to install temporary power to. The construction of homes is scheduled to start in mid-September. The servicing of the site should be at a stage where utility installations can begin about October 1, 2012. It is our intention to have the system energized in order to have street lighting by mid-November for security reasons.

Multi-Area Developments Inc. supports Horizon Utilities Corporation intention to proceed with a Service Area Amendment application to the Ontario Energy Board without a hearing. We hope that the OEB will look at all the costs involved in supplying not only services to the site, but also the administrative costs involved and the cost of power to our customers.

We understand that Hydro One Networks Inc. is aware of this request for a Service Area Amendment.

Should you require any additional information, please contact me at your convenience.

Sincerely,

Steve Spicer  
Development Manager