

Festival Hydro INC.

P.O. Box 397, Stratford, Ontario N5A 6T5

187 ERIE STREET, STRATFORD
TELEPHONE: 519-271-4700
TOLL-FREE: 1-866-444-9370
FAX: 519-271-7204
www.festivalhydro.com

September 25, 2012

Ontario Energy Board
2300 Yonge St. 26th Floor
Toronto, ON M4P 1E4

Attention: Kirsten Walli
Board Secretary

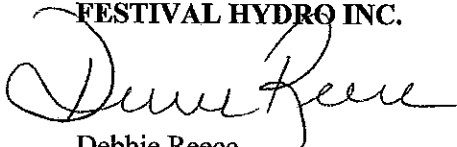
Dear Kirsten,

RE: Covering Letter re: Affidavit for Notice of Application and Hearing for an Electricity Distribution Rate Change (EB 2012-0124) for Festival Hydro Inc. ED 2002-0513

Enclosed please find a copy of the affidavit required per the Letter of Direction to Festival Hydro from the Ontario Energy Board proving publication of the Notice of Application in the Stratford City Gazette on September 20, 2012. A copy of this document has been filed today via RESS.

Please contact me at 519-271-4703 ext. 268 if you have any questions regarding the information attached.

FESTIVAL HYDRO INC.



Debbie Reece
Chief Financial Officer



P.O. Box 397, Stratford, Ontario N5A 6T5

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ONTARIO ENERGY BOARD

Board File No.: EB-2012-0124

**RE: NOTICE OF APPLICATION AND HEARING FOR AN ELECTRICITY
DISTRIBUTION RATE CHANGE**

I, WILLAM G. ZEHR, of the City of Stratford, in the County of Perth MAKE OATH AND SAY THAT:

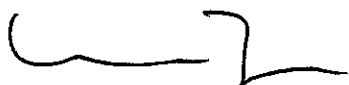
1. I am the President of Festival Hydro Inc., and as such have knowledge of the matters hereinafter deposed to.
2. I caused a copy of the Notice, a copy of which Notice is annexed hereto as Schedule A to this Affidavit, to be published in one issue of the English language newspaper having the highest circulation, according to the best information available, in Festival Hydro's service area, namely The Stratford Gazette, on Thursday, September 20, 2012.
3. Served a copy of the Notice directly on all intervenors of record in Festival Hydro's previous cost of service rate application proceeding EB-2009-0263, namely; Energy Probe Research Foundation, School Energy Coalition and Vulnerable Energy Consumers Coalition.
4. Festival Hydro is not a Host Distributor, so there is no Embedded Distributor(s) to serve a copy of the Notice.
5. Has made a copy of the application and evidence available for public review at Festival Hydro's office and on its website; has made a copy of the Notice available for public review at Festival Hydro's office and on its website; and will provide a copy of the application and evidence, and any amendments thereto, to anyone requesting the material.

6. I have completed the requirements of the Letter of Direction dated September 14, 2012 from the Ontario Energy Board to me, a copy of which letter is attached as Schedule B to this my affidavit.

Sworn before me at the City)
of Stratford, in the County of)
Perth this 21st day of)
September, 2012.)

N Mayer

A Commissioner, etc.



WILLIAM G. ZEHR

**Nicolle Marilyn Meyer, a Commissioner, etc.,
Province of Ontario,
for Skinner, Dunphy, Bantle & O'Rourke LLP,
Barristers and Solicitors.
Expires December 1, 2014.**

Schedule A

Board file

EB-2012-0124

Ontario Energy Board

Commission de l'énergie de l'Ontario



NOTICE OF APPLICATION AND HEARING FOR AN ELECTRICITY DISTRIBUTION RATE CHANGE

Festival Hydro Inc.

EB-2012-0124

Festival Hydro Inc. ("Festival Hydro") has applied to the Ontario Energy Board for permission to change its delivery charges beginning May 1, 2013. The application was filed on August 27, 2012 under section 78 of the Ontario Energy Board Act, 1998, S.O. 1998, c.16 (Schedule B), under the Board's guidelines for 3rd Generation Incentive Regulation Mechanism which provides for a mechanistic and formulaic adjustment to distribution rates between cost of service applications.

Delivery charges are one of four regular items on Residential and General Service customers' electricity bills and vary depending on the amount of electricity consumed. If the application is approved as applied for, the monthly bill for a Residential customer who consumes 800 kWh per month would increase by about \$0.80. The monthly bill for a General Service customer consuming 2,000 kWh per month and having a monthly demand of less than 50 kW would increase by about \$2.20. The proposed changes to the Delivery charges are separate from other potential changes to the electricity bills, which are not affected by this application.

For additional information on billing items visit the Consumer page of the Board's website at: http://www.ontarioenergyboard.ca.

The Board has assigned the application File No. EB-2012-0124. The Board's decision on this application may have an effect on all of Festival Hydro's customers.

How to see Festival Hydro Inc.'s Application

To see a copy of the application, go to the Consumer page of the Board's website and enter the case number EB-2012-0124 in the "Find an Application" box. A copy can also be seen at the Board's office and at the applicant's office at the addresses indicated below, or on the applicant's website at www.festivalhydro.com.

Written Hearing

The Board intends to proceed with this matter by way of a written hearing unless a party satisfies the Board that there is a good reason for not holding a written hearing. If you object to a written hearing, you must provide written reasons why you believe an oral hearing is necessary. Any submissions objecting to a written hearing must be received by the Board and copied to the applicant within 10 days of the publication or service date of this notice.

How to Participate

Comment

If you wish to give your opinion on the proceeding to the Board Members hearing the application, you are invited to send a written letter of comment to the Board no later than 30 days after the publication or service date of this notice. A complete copy of your letter of comment, including your name, contact information, and the content of the letter, will be provided to the applicant and the Hearing Panel.

Observe

If you do not wish to actively participate in the proceeding but you do wish to receive documents issued by the Board, you may request observer status. Your written request must be received by the Board no later than 10 days from the publication or service date of this notice.

Personal Information in Letters of Comment and Observer Requests

All letters of comment or letters requesting observer status will be placed on the public record, which means that the letters can be seen at the Board's office and will be available on the Board's website. Before placing the letters on the public record, the Board will remove any personal (i.e. not business) contact information from the letters (i.e. the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the letter will become part of the public record. Please address your letter to the Board Secretary at the address below, and reference file number EB-2012-0124 at the top of your letter.

Intervene

If you wish to actively participate in the proceeding (e.g., submit questions, file arguments), you may request intervenor status from the Board no later than 10 days after the publication or service date of this notice. The Board intends to consider cost awards in this proceeding in relation to Festival Hydro's proposed incremental capital module and proposed revenue-to-cost ratio adjustments in accordance with the Practice Direction on Cost Awards. Instructions for requesting intervenor status and cost eligibility are available on the Board's website at www.ontarioenergyboard.ca/participate. Everything an intervenor files with the Board, including the intervenor's name and contact information, will be placed on the public record, which can be seen at the Board's office and will be available on the Board's website.

If you do not have internet access, please call 1-877-632-2727 to receive information about this proceeding and how to participate.

Interrogatories and Submissions

Board-approved intervenors or Board staff wishing information and material from Festival Hydro that is in addition to the evidence filed with the Board and that is relevant to the hearing shall request it by written interrogatories filed with the Board and delivered to Festival Hydro on or before October 22, 2012. Festival Hydro shall file with the Board complete responses to the interrogatories and deliver them to all intervenors no later than November 5, 2012.

Written submissions by an intervenor or Board staff must be filed with the Board, and copied to all other parties, by November 19, 2012. If Festival Hydro wishes to respond to the submissions, its written response must be filed with the Board and delivered to all other parties by December 3, 2013.

IMPORTANT

IF YOU DO NOT FILE A WRITTEN OBJECTION TO A WRITTEN HEARING OR DO NOT PARTICIPATE IN THE HEARING 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

The Board: Ontario Energy Board, P.O. Box 2319, 27th Floor, 2300 Yonge St., Toronto ON M4P 1E4. Attention: Board Secretary. Filings: https://www.entr.ontarioenergyboard.ca/ E-mail: boardsec@ontarioenergyboard.ca Tel: 1-888-632-6273 (Toll free) Fax: 416-440-7656

The Applicant: Festival Hydro Inc., 187 Erie Street, Stratford, ON N5A 6T5. Attention: Ms. Kelly McCann. E-mail: kmccann@festivalhydro.com. Tel: +1 (519) 271-4700 x 221. Fax: +1 (519) 271-7204.

DATED at Toronto, September 14, 2012 - ONTARIO ENERGY BOARD

Original signed by Kirsten Walk, Board Secretary

The Stratford Gazette - Thursday, September 20, 2012

NEWS

Schedule B

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416-481-1967
Facsimile: 416-440-7656
Toll free: 1-888-632-6273

**Commission de l'énergie
de l'Ontario**
C.P. 2319
27^e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416-481-1967
Télécopieur: 416-440-7656
Numéro sans frais: 1-888-632-6273



BY E-MAIL

September 14, 2012

W.G. Zehr
Festival Hydro Inc.
P.O. Box 397
Stradford ON N5A 6T5

LETTER OF DIRECTION

Dear Mr. Zehr:

**Re: Festival Hydro Inc. ("Festival Hydro")
Application for 2013 Distribution Rates
Board File Number: EB-2012-0124**

The Ontario Energy Board has now issued its Notice of Application and Hearing relating to your 2013 incentive regulation mechanism rates application (the "Notice"). Please note that you must publish the Notice within **fourteen days** of the date of this letter. If publication is not possible within fourteen days, you must inform the Board Secretary immediately.

You are directed:

1. To arrange immediately for the publication of the English version of the Notice, in the form accompanying this Letter of Direction, including all graphics and the words "Ontario Energy Board", in one issue of the English language newspaper having the highest circulation, according to the best information available, in Festival Hydro's service area;

Please note that invoices regarding publication are not to be sent to the Board.

2. To immediately, and no later than the date of publication of the Notice, serve a copy of the Notice directly on all intervenors of record in Festival Hydro's previous cost of service rate application proceeding EB-2009-0263, namely;

Energy Probe Research Foundation

School Energy Coalition
Vulnerable Energy Consumers Coalition

3. If Festival Hydro is a Host Distributor, to immediately, and no later than the date of publication of the Notice, serve a copy of the Notice directly on its Embedded Distributor(s);
4. To file with the Board an affidavit proving publication and service of the Notice immediately thereafter;
5. To make a copy of the application and evidence, and any amendments thereto, available for public review at Festival Hydro's office and on its website;
6. To make a copy of the Notice available for public review at Festival Hydro's office and on its website; and,
7. To provide a copy of the application and evidence, and any amendments thereto, to anyone requesting the material.

You are further directed not to include any document(s) or material(s) when serving the Notice other than document(s) or material(s) expressly required by this Letter of Direction to be served.

Yours truly,

Original signed by

Kirsten Walli
Board Secretary

Encl.