

Dennis M. O'Leary
Direct: 416.865.4711
E-mail: doleary@airdberlis.com

December 19, 2012

BY RESS, EMAIL AND COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
27th Floor, Box 2329
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Horizon Utilities Corporation Service Area Amendment Application
EB-2012-0047**

We are counsel to Horizon Utilities Corporation ("**Horizon Utilities**") and are in receipt of the letter of intervention on behalf of the Power Workers' Union ("**PWU**"), dated December 17, 2012.

Horizon Utilities hereby objects, pursuant to Rule 23.07 of the Ontario Energy Board's ("**Board's**") *Rules of Practice*, to the intervention of the PWU. Unfortunately, given that the intervention filed by the PWU does not comply with the requirements of Rule 23, Horizon Utilities is not in a position to set out detailed objections. It therefore reserves the right to respond to any reply by the PWU to this letter of objection.

More specifically, aside from advising that the PWU represents the interests of Hydro One Network Inc. ("**Hydro One**") workers, the PWU intervention does not attempt to comply with Rule 23 and explain the PWU's interest in the proceeding and the grounds for its intervention. The PWU fails to include a statement of the nature and scope of the PWU's intended participation, nor any indication how the PWU's involvement would be of assistance to the Board and will not unnecessarily lengthen and complicate the record and the hearing.

The PWU is not a utility, ratepayer or customer like the developer in Horizon Utilities' Service Area Amendment Application ("**SAA Application**"), Multi-Area Developments Inc. ("**Developer**"). It cannot be said that the PWU has a "substantial interest in this proceeding". Indeed, its intervention runs the risk of protracting the proceeding to the prejudice of the two customers, the Developer and the Hamilton-Wentworth Catholic District School Board.

The PWU intervention references the retention of two experts, neither of which, to Horizon Utilities' knowledge, has any expertise in electrical engineering. The intervention makes no mention of what expert evidence of relevance the PWU intends to produce. It is submitted that if the PWU introduces evidence of the impact generally of the loss of service areas on Hydro One's workers, then this is a matter beyond the scope of this proceeding and jurisdiction of the Board.

It is unclear from the PWU's intervention what relevant interests it would be representing in the SAA Application. It should be recognized that the civil work currently being undertaken on the Summit Park Residential Development Phase 7 lands is being completed by a third party contractor whose employees do not appear to be members of the PWU.

It is not evident to Horizon Utilities, and certainly not referenced in the PWU's intervention, why Hydro One requires any assistance in terms of its response to Horizon Utilities' SAA Application. Hydro One certainly has the capacity and expertise to respond fully to Horizon Utilities' SAA Application.

It is important to note that the PWU does not have authority to speak for or represent the interests of the employers of its members - electric local distribution companies, like London Hydro Corporation, Newmarket Hydro Ltd., PowerStream Inc., Hydro One, and others. Indeed, in situations where the PWU represents employees in both sides of a contested service area amendment application, it is difficult to understand how the PWU can take a position which is not in conflict with the position taken by the employer of one group of its members. Perhaps this is the explanation why the PWU did not intervene in the Orangeville Hydro's SAA Application (EB-2012-0181) in which Hydro One contested Orangeville Hydro's SAA Application, despite the Board being required to consider issues similar to those raised in the current Horizon Utilities SAA Application. The PWU represents employees of both Hydro One and Orangeville Hydro and did not intervene.

This suggests that the reason why the PWU is seeking intervenor status in this proceeding is the fact that Horizon Utilities' employees are, to a large measure, represented by the International Brotherhood of Electrical Workers ("**IBEW**"). Horizon Utilities submits that competition or a "turf war" between the PWU and the IBEW is not a relevant matter for the purposes of a SAA Application.

While the PWU was an intervenor in the Combined Proceeding (RP-2003-0044), there is nothing in the Decision of the Board in that proceeding which would indicate that any issues relating to the PWU's unionized membership are relevant for the purposes of further SAA Applications. Indeed, to Horizon Utilities' knowledge, the PWU has not intervened in any SAA Application subsequent to the Combined Proceeding.

Horizon Utilities therefore submits that there is no basis to grant the PWU intervenor status. In the alternative, should the Board deem it appropriate to grant the PWU status, Horizon Utilities respectfully requests that the PWU's involvement be limited to the making of written or oral comments as part of the argument phase of the proceeding.

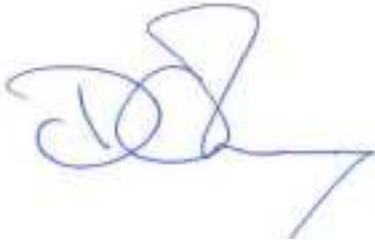


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Should the PWU reply to this letter of objection or clarify the nature of its intervention, Horizon Utilities reserves the right to respond to same.

Yours truly,

AIRD & BERLIS LLP



Dennis M. O'Leary

DMO:ct

cc Intervenor in EB-2012-0047

cc Power Workers' Union: spracketti@pwu.ca

cc Richard Stephenson, Paliare Roland: richard.stephenson@paliareroland.com

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