

December 20, 2012

VIA COURIER and RESS FILING

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

Chris G. Paliare
Ian J. Roland
Ken Rosenberg
Linda R. Rothstein
Richard P. Stephenson
Nick Coleman
Margaret L. Waddell
Donald K. Eady
Gordon D. Capern
Lily I. Harmer
Andrew Lokan
John Monger
Odette Soriano
Andrew C. Lewis
Megan E. Shortreed
Massimo Starnino
Karen Jones
Robert A. Centa
Nini Jones
Jeffrey Larry
Kristian Borg-Olivier
Emily Lawrence
Denise Sayer
Danny Kastner
Tina H. Lie
Jean-Claude Killey
Jodi Martin
Michael Fenrick
Nasha Nijhawan
Jessica Latimer
Debra Newell
Lindsay Scott
Alysha Shore
Gregory Ko

Dear Ms. Walli

**Re: Notice of Application and Notice of Motions
Horizon Utilities Corporation Application to amend licensed service
area filed June 18, 2012
Board File No. EB-2012-0047**

I am writing in response to Mr. O'Leary's correspondence to the Board on behalf of Horizon Utilities, regarding the PWU's proposed intervention in this matter.

The Board will know that over the past two decades the PWU has had a very extensive track record as an intervenor in a wide variety of Board proceedings of all descriptions. I am not aware of the precise number of interventions by the PWU, but there have certainly been many dozens. I cannot recall a single occasion where the Board has denied the PWU intervenor status.

The Board will also know that the PWU has been a responsible intervenor, making valuable contributions to many proceedings, enhancing the Board's understanding of the issues, without pursuing extraneous or irrelevant considerations. On numerous occasions the Board decisions have adopted positions advocated by the PWU. One very recent example is the Board's decision in EB-2012-0102 involving Langley Utilities and the streetlighting activities of affiliates of municipally-owned LDC's.

In addition the PWU has been selected to participate on numerous of the Board's policy working groups. In its participation in working groups and proceedings the PWU is guided by its policy statement:

Reliable, secure, safe, environmentally sustainable and
reasonably priced electricity supply and service, supported

HONORARY COUNSEL
Ian G. Scott, Q.C., O.C.
(1934 - 2006)

by a financially viable energy industry and skilled labour force is essential for the continued prosperity and social welfare of the people of Ontario. In minimizing environmental impacts, due consideration must be given to economic impacts and the efficiency and sustainability of all energy sources and existing assets. A stable business environment and predictable and fair regulatory framework will promote investment in technical innovation that results in efficiency gains.

The Board will also know that the PWU does not seek to have the costs of its interventions funded (ultimately) by electricity ratepayers. It bears its own costs.

It would appear from Mr. O'Leary's correspondence that Horizon seems to be of the view that OEB proceedings are the exclusive domain of utilities or customers. Of course, the Board has consistently recognized a much broader spectrum of stakeholders, including environmental groups, public interest groups, first nations' organizations and representatives of industry workforce (i.e. trade unions).

With respect to the provisions of R. 23 of the Board's Rules of Practice and Procedure, our December 17, 2012 correspondence provides a description of the PWU. As for the membership of the PWU, the Board will know that the PWU represents the majority of the employees of Hydro One, essentially all of its employees other than managers, and its engineering and professional staff. This includes skilled tradespeople in various disciplines, as well as a variety of support and administrative staff.¹

As for the interest of the PWU in the proceeding, the application deals with a variety of parcels that are presently part of Hydro One's service territory. As such, PWU represented employees work on and are responsible for the current and future distribution infrastructure in those areas.² If the application is successful, the current and future work in relation to this infrastructure would cease to be performed by PWU represented employees of Hydro One. In other words, the livelihood of PWU represented employees is at stake.

¹ As noted in our December 17, 2012 correspondence, the PWU also represents the employees of a wide variety of utilities operating in Ontario.

² In his letter, Mr. O'Leary makes reference to the fact that certain work on the Summitt Park Residential Development Phase 7 is being performed by contractors. The PWU understands that to be true, however, a variety of other aspects of the project will be performed by PWU represented employees of Hydro One. Further, assuming the application is not granted PWU represented employees would be responsible for the ongoing operation and maintenance of the infrastructure for years into the future. Of course, the Summitt Park development is only one aspect of the current application.

Of course, the PWU recognizes that the impact of the decision on its members is not a reason for or against the application being granted. That will not be the basis of any submissions the PWU makes in this proceeding. Rather, the PWU intends to do in this case what it does in every other OEB proceeding in which it is involved: to argue, on the basis of the evidence, the *OEB Act, 1998* and other applicable legislation and regulations, the Board's policies and Codes, and relevant Board jurisprudence, that the case should be decided in a particular manner.

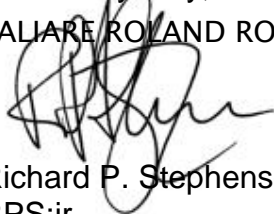
With respect to the nature and scope of the PWU's intended intervention, the PWU can assure the Board and the applicant that its intervention will not lead to any delay or lengthening of the proceeding. The PWU will not be adducing any of its own evidence in the proceeding. The consultants identified in my December 17, 2012 correspondence are the consultants who are routinely retained by the PWU to assist it and its counsel with technical issues in the application. They are not intended witnesses.

The PWU's involvement will be limited to submitting interrogatories, undertaking examinations of witnesses and making submissions. At all times, as a master of its own procedure, the Board will be able to make directions with respect to the conduct of the PWU (or any other party to the proceeding) that it considers appropriate to ensure a focused examination of relevant issues.

As Mr. O'Leary fairly acknowledges, the PWU (unlike Horizon Utilities) was an active participant in the so-called Combined Proceeding (RP-2003-0044). One of the primary issues for the PWU in the current proceeding is to explore the extent to which the application is, or is not, consistent with the decision of the Board in that proceeding.

Yours very truly,

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP



Richard P. Stephenson
RPS:jr
encl.

cc: Applicant and Intervenors (*via email*)

Horizon Utilities Corporation indy.butany@horizonutilities.com

Dennis M. O'Leary doleary@airdberlis.com

Hydro One Networks Inc. Andrew.skalski@hydroone.com

Michael Engelberg mengelberg@HydroOne.com
Multi-Area Development Inc. spicer@multi-area.com
Peter Ruby pruby@goodmans.com
School Energy Coalition wmcnally@opsba.org
Jay Shepherd jay.shepherd@canadianenergylawyers.com

Doc 849751v1

List of PWU Employers

Algoma Power
AMEC Nuclear Safety Solutions
Atomic Energy of Canada Limited (Chalk River Laboratories)
BPC District Energy Investments Limited Partnership
Brant County Power Incorporated
Brighton Beach Power Limited
Brookfield Power – Mississagi Power Trust
Bruce Power Inc.
Atlantic Power - Calstock Power Plant
Atlantic Power - Kapuskasing Power Plant
Atlantic Power - Nipigon Power Plant
Atlantic Power - Tunis Power Plant
Coo Nuclear Services
Corporation of the City of Dryden – Dryden Municipal Telephone
Corporation of the County of Brant, The
Coulter Water Meter Service Inc.
CRU Solutions Inc.
Ecaliber (Canada)
Erie Thames Services and Powerlines
ES Fox
Great Lakes Power Limited
Grimsby Power Incorporated
Halton Hills Hydro Inc.
Hydro One Inc.
Independent Electricity System Operator
Inergi LP
Innisfil Hydro Distribution Systems Limited
Kenora Hydro Electric Corporation Ltd.
Kincardine Cable TV Ltd.
Kinectrics Inc.
Kitchener-Wilmot Hydro Inc.
Lake Superior Power Inc. (A Brookfield Company)
London Hydro Corporation
Middlesex Power Distribution Corporation
Milton Hydro Distribution Inc.
New Horizon System Solutions
Newmarket Hydro Ltd.
Norfolk Power Distribution Inc.
Nuclear Waste Management Organization
Ontario Power Generation Inc.
Orangeville Hydro Limited
Portlands Energy Centre
PowerStream
PUC Services
Sioux Lookout Hydro Inc.
Sodexo Canada Ltd.
TransAlta Generation Partnership O.H.S.C.
Vertex Customer Management (Canada) Limited
Whitby Hydro Energy Services Corporation