Barristers and Solicitors

IRD &

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

BERLIS LLP

December 21, 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") in the abovecaptioned matter. This letter is written in response to Mr. Stephenson's letter to the Ontario Energy Board ("Board") dated December 20, 2012, on behalf of the Power Workers' Union ("PWU").

Horizon Utilities repeats and adopts the comments made in its letter dated December 19, 2012, objecting to the intervention request of the PWU. This letter responds solely to Mr. Stephenson's further comments.

While the PWU's involvement in past Board proceedings may have been undertaken in a responsible and appropriate fashion, the Board's *Rules of Practice and Procedure (revised January 9, 2012)* require a prospective intervenor to demonstrate a substantial interest in a particular proceeding and to indicate its degree of involvement. Horizon Utilities submits that the PWU has not demonstrated a substantial interest in the issues before the Board in Horizon Utilities' Service Area Amendment Application ("SAA Application") and that the PWU's proposed involvement is excessive.

The addition of a party who will ask further interrogatories and file argument, both of which will require Horizon Utilities' staff and its counsel to spend time in order to answer the interrogatories and respond to the argument, will prolong and add costs to this proceeding. The PWU has not demonstrated an interest that in any way is unique from that of Hydro One. Mr. Stephenson has not offered any perspective that his client will bring which will be of assistance to the Board and which cannot be advocated by Hydro One.

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Contrary to Mr. Stephenson's assertion, Horizon Utilities participated in the Combined Proceeding (RP-2003-0044) as a member of the LDC Coalition. It was appropriate in that proceeding for a broad array of intervenors to become involved for the purposes of formulating rules to be applied in future applications. There was no suggestion in that proceeding that all participating parties should have standing in future applications but given the logic expressed by Mr. Stephenson, every party to that proceeding would be an eligible intervenor in Horizon Utilities' SAA Application. Horizon Utilities submits that this is not appropriate.

Horizon Utilities suggests that allowing the PWU to intervene would set an unwelcome precedent. If the PWU may participate as an intervenor, then it only stands to reason that the union representing Horizon Utilities' employees, the Independent Brotherhood of Electrical Workers, should also participate. If such unions are granted intervenor status here, it would become a precedent for all future SAA applications. What was intended to be a cost-efficient and rational means of dealing with SAA amendments would become more complicated and costly to process for parties and the Board.

For the above reasons, Horizon Utilities submits that the PWU intervention request should be denied.

Yours truly,

AIRD & BERLIS LLP

Dennis M. O'Leary

DMO:ct

- cc Intervenors in EB-2012-0047
- cc Power Workers' Union: sprackettj@pwu.ca
- cc Richard Stephenson, Paliare Roland: richard.stephenson@paliareroland.com

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