



EB-2007-0917
EB-2007-0947

NOTICE OF APPLICATIONS

Application by Hydro One Networks Inc. and Whitby Hydro Electric Corporation for Licence Amendments and Sale of Distribution Assets

Application by Hydro One Networks Inc. and Peterborough Distribution Inc. for Licence Amendments and Sale of Distribution Assets

Hydro One Networks Inc. ("Hydro One") has filed a joint application with Whitby Hydro Electric Corporation ("Whitby Hydro") under sections 74 and 86(1)(b) of the *Ontario Energy Board Act, 1998* (the "Act"). Hydro One has also filed a joint application with Peterborough Distribution Inc. ("Peterborough Distribution ") under sections 74 and 86(1)(b) of the Act. The two applications raise the same issues and therefore, the Board will combine these proceedings pursuant to its power under section 21(5) of the Act.

Section 6.5.4 of the Distribution System Code

Section 6.5.4 of the Board's Distribution System Code requires electricity distributors to eliminate long term load transfers before January 31, 2009. A long term load transfer is a situation in which a customer is within one distributor's service area but is actually served electricity from a second distributor. The applicants have stated that the service area amendments and the sale of the distribution assets that are the subject of the above referenced applications are being sought in order to eliminate long term load transfers between Hydro One and Whitby Hydro and between Hydro One and Peterborough Distribution.

The Application by Hydro One and Whitby Hydro

Hydro One and Whitby Hydro have filed a joint application with the Board under sections 74 and 86(1)(b) of the Act for an order of the Board:

- amending the applicants' distribution service areas to reflect the transfer of 27 customers from Whitby Hydro to Hydro One; and

- approving the sale of distribution assets necessary in serving the public from Whitby Hydro to Hydro One.

The Board has assigned file number EB-2007-0917 to the application.

The proposed service area amendment will expand Hydro One's service area to include the customers located in the Town of Whitby, Concession 9, Part of Lots 21, 22, 23, 24, 25, 26, 31, 32, 33, 34 and 35 fronting on south side of Townline Road West, between Lake Ridge Road (Durham Road 23 and Highway 12) and properties fronting on the eastside of Lake Ridge Road, south of Townline Road, north of Myrtle Road.

The customers located at the above noted locations are currently within Whitby Hydro's service area. The proposed amendments, if granted, will result in these customers becoming customers of Hydro One. These customers will be subject to higher distribution rates if the application is approved. According to the application, for customers moving from Whitby Hydro to Hydro One, an average residential customer consuming 1,000 kWh per month will experience an increase of \$23.96 on the delivery portion of the monthly electricity bill.

Whitby Hydro is seeking approval to sell part of its distribution system that is useful in serving the public to Hydro One. Hydro One will purchase these assets from Whitby Hydro for the net book value of the assets. The assets will continue to be used to serve the same customers presently served by the assets.

The Application by Hydro One and Peterborough Distribution

Hydro One and Peterborough Distribution have filed a joint application with the Board under sections 74 and 86(1)(b) of the Act for an order of the Board:

- amending the applicants' distribution service areas to reflect the transfer of four customers from Hydro One to Peterborough Distribution and two customers from Peterborough Distribution to Hydro One; and
- approving the sale of distribution assets necessary in serving the public from Hydro One to Peterborough Distribution.

The Board has assigned file number EB-2007-0947 to the application.

The proposed service area amendment will expand Peterborough Distribution's service area to include four customers at the following locations:

- one customer located on lot 16, concession 9, village of Norwood on the east side of County Road 45 approximately midway between Baker Street to the south and Industrial Drive to the north; and
- three customers located on lots 7 and 8, concession 1 in the city of Peterborough, on the north side of Parkhill Road West between Brealey Drive to the west and Ravenwood Drive to the east.

The customers located at the above noted locations are currently within Hydro One's service area. The proposed amendments, if granted, will result in these customers becoming customers of Peterborough Distribution. These customers will be subject to lower distribution rates if the application is approved.

The proposed service area amendment will expand Hydro One's service area to include two customers at the following locations:

- the customer located on lot 7, concession 9, on the west side of Douro 9th Line, approximately midway between Nassau Road/Pioneer Road to the south, and Road 32 to the north; and
- the customer located on lot 15, concession 3, on the west side of Hilliard Street at the junction of Hilliard Street and Cumberland Avenue.

The customers located at the above noted locations are currently within Peterborough Distribution's service area. The proposed amendments, if granted, will result in these customers becoming customers of Hydro One. These customers will be subject to higher distribution rates if the application is approved. According to the application, for customers moving from Peterborough Distribution to Hydro One, an average residential customer consuming 1,000 kWh per month will experience an increase of \$31.18 on the delivery portion of the monthly electricity bill.

Hydro One is seeking approval to sell part of its distribution system that is useful in serving the public to Peterborough Distribution. Peterborough Distribution will purchase these assets from Hydro One for net book value. The assets will continue to be used to serve the same customer presently served by the assets.

How to See the Applications

A copy of the applications and related documents are available for inspection at the Board's offices in Toronto. A copy can also be viewed at the Hydro One, Whitby Hydro and Peterborough Distribution offices at the addresses indicated below.

How to Participate in the Proceeding

The application will be decided by way of written hearing unless a party satisfies the Board that there is good reason for holding an oral hearing. If you object to a written hearing in this matter, you must provide written reasons why an oral hearing is necessary. Any objections to a written hearing must be received by the Board and copied to the applicants within **7 days** of the date this notice was served.

If you wish to participate in the written hearing, please file a written submission setting out your views on the applications with the Board and deliver it to the applicants no later than **21 days** after the date this notice was served.

In addition to any general comments parties may have on the applications, in light of the rate impact on the customers proposed to be transferred to Hydro One, the Board is specifically interested in receiving submissions on the following issues:

- 1. Should customer rate smoothing or rate impact mitigation be considered?**
- 2. If yes to question 1 above, what principles or criteria should the Board use in determining eligibility for rate smoothing or rate impact mitigation?**
- 3. If yes to question 1 above, what form of rate smoothing or rate impact mitigation should the Board consider?**

The Board may order costs in this proceeding. You must indicate in your submission whether you expect to seek costs from the applicant and the grounds for your eligibility for costs.

If the applicant wishes to respond to the submission(s), the written response must be filed with the Board and delivered to all parties who made submissions no later than **35 days** after the date this notice was served.

How to File Documents with the Board

If you already have a user ID, please submit your submission through the Board's web portal at www.errr.oeb.gov.on.ca. Additionally, two paper copies are required. For instructions on how to file and naming conventions, please refer to the RESS Document Guidelines found at www.oeb.gov.on.ca, e-Filing Services. Those who do not have internet access are asked to submit their submission on a CD or diskette in PDF format, along with two paper copies. You may also send your submission by post or e-mail to the addresses below.

In responding to this Notice, please include one or both of Board file numbers EB-2007-0917 and EB-2007-0947 in the subject line of your e-mail or at the top of your document. It is also important that you provide your name, postal address and telephone number and, if available, an e-mail address and fax number. All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

Need More Information?

Further information on how to participate may be obtained by visiting the Board's Web site at www.oeb.gov.on.ca or by calling our Consumer Relations Centre at 1-877-632-2727.

IMPORTANT

IF YOU DO NOT FILE A WRITTEN SUBMISSION OBJECTING TO A WRITTEN HEARING OR IF YOU DO NOT NOTIFY THE BOARD OF YOUR INTENTION TO PARTICIPATE IN THIS PROCEEDING 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

(for viewing copies of the application)

The Board

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4
Attention: Board Secretary

Tel: 1-877-632-2727 ((toll free)
Fax: 416-440-7656
E-mail: Boardsec@oeb.gov.on.ca

The Applicants

Hydro One Networks Inc.
8th Floor, South tower
483 Bay Street
Toronto, ON M5G 2P5
Attention: Mr. Glen MacDonald

Tel: 416-345-5913
Fax: 416-345-5866
E-Mail: regulatory@hydroone.com

Whitby Hydro Electric Corporation
100 Taunton Road East
Whitby, ON L1N 5R8
Attention: Ms. Sandy Gray

Tel: 905-668-5878 x235
Fax: 905-666-8374
E-mail: sgray@whitbyhydro.on.ca

Peterborough Distribution Inc.
P.O. Box 4125 Station Main
1867 Ashburnham Drive
Peterborough, ON K9J 6Z5
Attention: Mr. Jeff Guilbeault

Tel: 705-748-9301 ext. 1244
Fax: 705-748-4358
E-mail: jguilbea@puc.org

DATED at Toronto April 14, 2008

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary