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DELIVERED BY RESS, COURIER AND E-MAIL

Ms. Kristen Walli, Board Secretary
Ontario Energy Board
2300 Yonge Street
Suite 2701
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Norfolk Power Distribution Inc. and Norfolk County
(collectively, "Norfolk")
Submissions on Confidentiality/Redactions
OEB File No.: EB-2013-0196/EB-2013-0187/EB-2013-0198**

We are counsel to Norfolk in the above noted matters. Further to Procedural Order No. 1, what follows are Norfolk's submissions on the reasons supporting the redactions on the Attachments (as that term is defined in Procedural Order No. 1).

The Board's Application Form for Applications under Section 86 of the *Ontario Energy Board Act, 1998* (the "Application Form") asks Applicants to provide a description of the proposed transaction, including the details of the consideration (cash, assets and shares) (Section 1.4.1 and 1.4.2), and the Board asks the Applicant to list all documents to be used to implement the proposed transaction (Section 1.5.2).

Hydro One Networks Inc. ("HONI") elected to file the complete Share Purchase Agreement with certain limited redactions. This general approach is consistent with the spirit of the Board's Practice Direction, upon which the Board relies on disclosure of relevant information in order to ensure its decisions are well-informed. It is worth noting at the outset that there are no redactions from the main body of the Share Purchase Agreement. Rather, the redactions are limited to a select subset of detailed schedules. Many of these schedules are only partly redacted, showing again an effort to disclose as much information as is practical in the circumstances.

The specific redactions are described, in general terms, below:

- **Schedule 3.1(L) – Real Property, Leased Property and Easements** - The redactions in this Schedule are limited and quite specific. The redacted information represents only those third party property easements and rights of way with identifying property address information. All other real property, leases and easements are listed.

- **Schedule 3.1(N) – Contracts and Commitments** - The redacted information in this schedule is limited to a list of material contracts of Norfolk Power Inc., Norfolk Power Distribution Inc., and Norfolk Energy Inc. as of February 1, 2013.
- **Schedule 3.1(O) – Material Contracts** - The redacted information in this schedule is limited to a list of exclusions to the full and complete list of all Material Contracts listed in Schedule 3.1(N).
- **Schedule 3.1(R) – Employees** - The redacted information in this schedule is limited to a list of active employee long-term disability leaves and maternity leaves, including position title, start dates and benefits information and a listing of workplace-related issues including the dates around such events.
- **Schedule 3.1(T) – Environmental Disclosure** - The redacted information in this schedule is limited to a listing of environmental reports that identify the results of environmental investigations and identify potential environmental concerns at specific addresses.
- **Schedule 3.1(V) – Taxes** - The redacted information in this schedule is limited to Canada Revenue Agency Account/Business Numbers.
- **Schedule 3.1(X) – Permitted Encumbrances** - The redacted information in this schedule is limited to a list of permitted encumbrances on Norfolk Power Distribution Inc.’s assets, and sets out a listing of all of the material financing arrangements held by Norfolk Power Distribution Inc. with third party financiers.
- **Schedule 3.1(AA) – Bank Accounts** - The redacted information in this schedule is limited to a list of bank account information, including account and transit numbers and signing authorities and protocols.
- **Schedule 5.2 – Permitted Dispositions** - The redacted information in this schedule is limited to a single commercial agreement between Norfolk Power Inc. and an identified third party, in respect of a permitted disposition of an identified property address.

As discussed below, in light of the specific nature of the redacted materials, Norfolk submits that there is no semblance of relevance of the redacted information to the Board’s “no harm” test in respect of each of the Board’s section 1 statutory objectives, and further the materials qualify for confidential treatment pursuant to the Board’s Practice Direction.

Schedules 3.1(L), 3.1(N), 3.1(O) and 3.1(X) and 5.2

In respect of Schedules 3.1(L), 3.1(N), 3.1(O) and 3.1(X) and 5.2, Norfolk submits there is no probative value to adding this information to the public record. Simply put, this information will not assist the Board in its assessment of the “no harm” test. However, the potential harm from disclosing this information on the public record is considerable.

For each of these Schedules, it is quite easy to identify the third party counterparty to each commercial agreement, including but not limited to individual employees, contractors, financial institutions and companies with confidential commercial arrangements with Norfolk Power Inc., Norfolk Power Distribution Inc., and Norfolk Energy Inc. For the easements and rights of way, it would only require someone taking an extra step to conduct a titles search on the real property address or legal description to identify the individual property owners.

The potential harm that could result from the disclosure of this information includes:

- (a) prejudice to the third party’s competitive position as a previously confidential commercial agreements (including pricing) will become public knowledge;
- (b) the publication of the information would impede or diminish the capacity of Norfolk Power Distribution Inc. or its affiliates to fulfill existing confidentiality obligations under the terms of those agreements, which in some cases require that the existence of the actual agreement itself be held in confidence; and
- (c) the publication of this information may interfere significantly in Norfolk Power Distribution Inc.’s ability to negotiate extensions or new agreements with these third parties in the future due to the loss of faith in the utility’s commitment to treat the material as confidential.

These third party contracts contain sensitive commercial information that is and has been consistently treated in a confidential manner by Norfolk Power Inc., Norfolk Power Distribution Inc., and Norfolk Energy Inc., as applicable.

Schedule 3.1(R)

There is no probative value to adding this information to the public record. Norfolk submits it will not assist the Board in its assessment of the “no harm” test.

However, if this material is disclosed on the public record, the Board would risk disclosing sensitive personal information about individual disability leaves, maternity leaves and workplace-related employee issues. While Norfolk and Hydro One have taken steps to limit the disclosure of

personal information by using position titles, if the Board makes this material public other employees at Norfolk Power who understand the context and background could easily identify the particular individual(s) involved in these matters and will gain access to sensitive personal information about those individuals' disability leaves, maternity leaves, and other workplace-related issues. This information could then spread throughout the organization and into the broader community, putting sensitive personal information in the public domain.

This is information that is and has been consistently treated in a confidential manner by Norfolk Power Inc., Norfolk Power Distribution Inc., and Norfolk Energy Inc., as applicable.

Schedule 3.1(T)

There is no probative value to adding this information to the public record. Norfolk submits it will not assist the Board in its assessment of the "no harm" test.

However, the disclosure of this information on the public record could raise undue or unwarranted concerns or result in frivolous litigation claims being commenced by adjacent property owners who may see a report identifying a potential environmental issue on a property adjacent to their own in a context where there is no legal obligation to publically disclose such information. The result could be needless expenditure of time and financial resources by the utility and/or the municipality.

This is information that is and has been consistently treated in a confidential manner by Norfolk Power Inc., Norfolk Power Distribution Inc., and Norfolk Energy Inc., as applicable.

Schedule 3.1(V) and 3.1(AA)

There is no probative value to adding this information to the public record - it will not assist the Board in its assessment of the "no harm" test.

However, the public disclosure of detailed Canada Revenue Agency account information would expose Norfolk Power Distribution Inc. and Norfolk Energy Inc. to risk of fraud. Similarly, the public disclosure of specific bank account and bank transit numbers, signing authorities and protocols would expose Norfolk Power Distribution Inc. and Norfolk Energy Inc. to considerable risk of fraud, including cyber-theft. In an era when all organizations strive to protect their computer networks to prevent "hackers" gaining access to information such as bank accounts and their associated transit numbers, to provide these details to the public is simply an invitation for mischief.

This is information that is and has been consistently treated in a confidential manner by Norfolk Power Inc., Norfolk Power Distribution Inc., and Norfolk Energy Inc., as applicable.

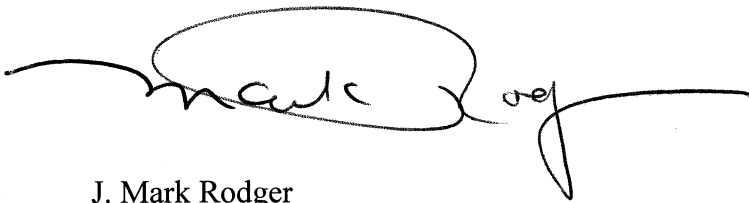
Conclusions

For all the reasons described above, Norfolk submits that the subject information is of no probative value, and the potential harms of disclosing the information greatly outweigh the value of producing any such information. The fact that the Board has approved dozens of prior MAAD applications without having to consider such information further demonstrates that the subject redacted material is of no probative value – and the requested redaction should be upheld.

Norfolk submits that to require public production of information reflected in the redacted materials is not in the public interest and would unjustifiably complicate and distort the Board's established MAAD application requirements and regulatory test that it applies.

Yours very truly,

BORDEN LADNER GERVAIS LLP

A handwritten signature in black ink, appearing to read "Mark Rodger", with a large, stylized flourish extending to the left and a long horizontal line extending to the right.

J. Mark Rodger

Incorporated Partner*

*Mark Rodger Professional Corporation

Copy to: Dennis Travale, Mayor, Norfolk County
Al Hays, Chairman, Norfolk Power
Jody McEachran, Norfolk Power
Michael Engelberg, Hydro One