



EB-2013-0427
EB-2013-0428

NOTICE OF APPLICATION AND WRITTEN HEARING

LEAVE TO AMALGAMATE LAKELAND POWER DISTRIBUTION LTD. AND PARRY SOUND POWER CORPORATION

Lakeland Power Distribution Ltd. ("LPDL") and Parry Sound Power Corporation ("PSPC"), both licensed electricity distributors (the "Applicants"), have jointly filed an application with the Ontario Energy Board, received on December 12, 2013, seeking leave to amalgamate LPDL and PSPC and address licensing matters resulting from the proposed amalgamation. Specifically,

- LPDL and PSPC seek leave of the Board to amalgamate LPDL and PSPC pursuant to section 86(1) (c) of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B) (the "Act"). Board file number: **EB-2013-0427**.
- If the Board grants LPDL and PSPC leave to amalgamate, upon closing of the proposed transaction, LPDL seeks to amend its electricity distribution licence pursuant to section 74 of the Act to include in its service area the area currently served by PSPC and PSPC requests, that its electricity distribution licence be canceled pursuant to section 77(5) of the Act. Board file number: **EB-2013-0428**.

LPDL owns and operates an electricity distribution system within the geographic territory and municipal boundaries of the Town of Bracebridge, Town of Huntsville, Town of Sundridge, Village of Burk's Falls, and Municipality of Magnetawan, as described in its electricity distribution licence (ED-2002-0540). PSPC owns and operates an electricity distribution system within the geographic territory and municipal boundaries of the Town of Parry Sound, as described in its electricity distribution licence (ED-2003-0006).

PSPC is currently 100% owned by Parry Sound Hydro Corporation which in turn is wholly owned by the Town of Parry Sound. LPDL is currently 100% owned by Lakeland

Holding Ltd. The shares of Lakeland Holding Ltd. are held by five municipalities as follows:

- Town of Bracebridge 65.11%
- Town of Huntsville 25.13%
- Town of Sundridge 4.33%
- Village of Burk's Falls 3.96%
- Municipality of Magnetawan 1.47%

After the completion of the proposed transaction, the amalgamated entity will be 100% owned by Lakeland Holding Ltd. The shares of Lakeland Holding Ltd. will be held by six municipalities as follows:

- Town of Bracebridge 54.97%
- Town of Huntsville 21.22%
- Town of Sundridge 3.66%
- Village of Burk's Falls 3.34%
- Municipality of Magnetawan 1.24%
- Town of Parry Sound 15.57%

The amalgamated entity will retain the name Lakeland Power Distribution Ltd.

Currently, the rates charged for the delivery of electricity to customers in the LPDL and PSPC service areas are not equal. The Applicants propose to harmonize the two rates at the time of rate rebasing of the amalgamated entity, which the Applicants propose to defer to January 1, 2018. Until that time the Applicants propose to retain the two separate rate schedules for customers in each of the service areas.

According to the application, the costs associated with the proposed transaction will be financed through productivity gains and will not be funded by ratepayers. These costs are expected to be equal to approximately one year's projected synergy savings.

How to see the Application

To see a copy of the Application, go to the Consumer page of the Board's website and enter case numbers **EB-2013-0427** and **EB-2013-0428** in the "Find an Application" box. A copy can also be seen at the Board's office and at the Applicants' offices at the addresses indicated below, or on the Applicants' websites at www.pspower.ca and www.lakelandpower.on.ca.

Written Hearing

The Board intends to proceed with this matter by way of a written hearing unless a party satisfies the Board that there is a good reason for not holding a written hearing. If you object to a written hearing, you must provide written reasons why you believe an oral hearing is necessary. Any submissions objecting to a written hearing must be received by the Board and copied to the Applicants within **10 days** of the publication or service date of this notice.

How to Participate

Comment

If you wish to give your opinion on the proceeding to the Board Members hearing the application, you are invited to send a written letter of comment to the Board no later than **30 days** after the publication or service date of this notice. A complete copy of your letter of comment, including your name, contact information, and the content of the letter, will be provided to the Applicants and the Hearing Panel.

Observe

If you do not wish to actively participate in the proceeding but you do wish to receive documents issued by the Board, you may request observer status. Your written request must be received by the Board no later than **10 days** from the publication or service date of this notice.

Personal Information in Letters of Comment and Observer Requests

All letters of comment or letters requesting observer status will be placed on the public record, which means that the letters can be seen at the Board's office and will be available on the Board's website. Before placing the letters on the public record, the Board will remove any personal (i.e. not business) contact information from the letters (i.e. the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the letter will become part of the public record. Please address your letter to the Board Secretary at the address below, and reference file numbers **EB-2013-0427 and EB-2013-0428** at the top of your letter.

Intervene

If you wish to actively participate in the proceeding (e.g., submit questions, file argument), you may request intervenor status from the Board no later than **10 days**

after the publication or service date of this notice. Instructions for requesting intervenor status are available on the Board's website at www.ontarioenergyboard.ca/participate. Everything an intervenor files with the Board, including the intervenor's name and contact information, will be placed on the public record, which can be seen at the Board's office and will be available on the Board's website.

If you do not have internet access, please call 1-877-632-2727 to receive information about this proceeding and how to participate.

IMPORTANT

IF YOU DO NOT FILE A WRITTEN OBJECTION TO A WRITTEN HEARING OR DO NOT PARTICIPATE IN THE HEARING IN ACCORDANCE WITH THIS NOTICE, THE BOARD MAY PROCEED WITHOUT YOUR PARTICIPATION AND YOU WILL NOT BE ENTITLED TO ANY FURTHER NOTICE IN THE PROCEEDING.

Addresses

The Board

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

Filings:
<https://www.pes.ontarioenergyboard.ca/eservice/>
E-mail: boardsec@ontarioenergyboard.ca
Tel: 1-888-632-6273 (Toll free)
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The Applicants

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Parry Sound Power Corporation
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Attention:
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DATED at Toronto, December 19, 2013

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary