

# LakelandPower

200 – 395 Centre St N, Huntsville, ON P1H 2M2  
Phone (705) 789-5442 Toll Free 1-888-282-7711  
Fax (705) 789-3110 service@lakelandpower.on.ca

January 13, 2014

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

**Re: Application for an Order from Ontario Energy Board (the “Board”) granting leave to Amalgamate – EB-2013-0427 and EB-2013-0428**

Dear Ms. K. Walli:

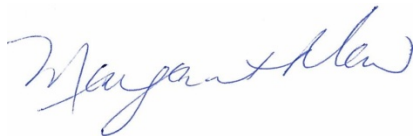
Lakeland Power Distribution Ltd. and Parry Sound Power Corporation (the “Applicants”) apply to the Board for leave pursuant to section 86 (1) (c) of the *Ontario Energy Board Act, 1998*.

Please find attached the affidavit proving publication of the notice as per the Letter of Direction dated December 19, 2013.

As per the Board's requirements, 2 copies are enclosed via mail and a pdf version will be submitted via email to Board Secretary.

Should there be any questions, please contact me at the number above.

Respectfully Submitted,



Margaret Maw  
Chief Financial Officer  
Lakeland Power Distribution Ltd.



## PARRY SOUND POWER

125 WILLIAM STREET, PARRY SOUND, ONTARIO P2A 1V9  
TELEPHONE: (705) 746-5866 • FAX: (705) 746-7789  
Email: info@pspower.ca

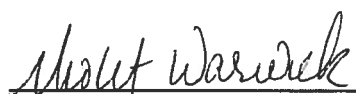
A Member of:



January 8, 2014

I, the undersigned, hereby confirm as directed by the Ontario Energy Board in the December 19<sup>th</sup> 2013 Letter of Direction relating to the Notice of Application and Hearing for an Electricity Distribution Rate Change – Board File Numbers: EB-2013-0427 and EB-2013-0428 that Parry Sound Power Corporation published the Notice in the Parry Sound North Star on Wednesday, January 8, 2014. To the best of my knowledge, The Parry Sound North Star is an English language newspaper and has the highest circulation in our service area. We have also served a copy of the Notice to all intervenors of record in Parry Sound Power's previous cost of service. A copy of the Notice, application, evidence and any amendments are available in our office and on our website, and will be provided to anyone requesting the material.

  
Miles Thompson  
Vice-President & General Manager  
Parry Sound Power Corporation

  
Witness

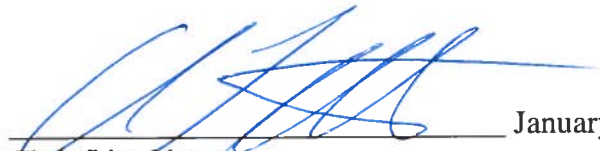
Violet Ann Warwick, a Commissioner, etc.,  
District of Parry Sound, for Joel W. Kennedy  
Professional Corporation, Barrister and Solicitor.  
Expires March 27, 2016.

**Kirsten Walli**  
**Board Secretary**  
**Ontario Energy Board**  
**P.O. Box 2319**  
**27<sup>th</sup> Floor**  
**2300 Yonge Street**  
**Toronto, Ontario**  
**M4P 1E4**

**Board File Number EB-2013-0427 & EB-2013-0428**


**Dear Ms. Walli:**

I, Chris Litschko, CEO of Lakeland Power Distribution Ltd. ED-2002-0540 hereby swear that the OEB's NOTICE OF APPLICATION AND WRITTEN HEARING FOR LEAVE TO AMALGAMATE LAKELAND POWER DISTRIBUTION LTD. AND PARRY SOUND POWER CORPORATION LTD. was posted on Wednesday January 8, 2014 in the What's Up Muskoka Newspaper having the largest circulation to our customers.

  
\_\_\_\_\_  
Chris Litschko

January 9, 2014

Sworn before me this 9th day of January, 2014 in the Town of Huntsville in the District of Muskoka.

  
\_\_\_\_\_  
Kelly Pender, CAO  
Commissioner of Oaths  
Town of Huntsville

Kelly J. Pender, a Commissioner and Deputy-Clerk,  
District Municipality of Muskoka, for the Corporation  
of the Town of Huntsville.



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](http://www.pspower.ca) and [www.lakelandpower.on.ca](http://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](http://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.

#### 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](mailto:boardsec@ontarioenergyboard.ca) Tel: 1-888-632-6273 (Toll free)  
Fax: 416-440-7656

##### The Applicants

Lakeland Power Distribution Ltd., 200-395 Centre St. N. Huntsville,  
ON P1H 2M2  
Attention: Mr. Christopher Litschko President & CEO  
Tel: 705-789-5442 Fax: 705-789-3110 E-mail: [chris@lakelandholding.com](mailto:chris@lakelandholding.com)

**DATED** at Toronto, December 19, 2013

**ONTARIO ENERGY BOARD**

Original signed by

Kirsten Walli  
Board Secretary

##### Parry Sound Power Corporation

125 William Street Parry Sound, ON P2A1V9  
Attention: Mr. Miles Thompson Vice President & Financial Officer  
Tel: 705-746-5866 Fax: 705-746-7789 E-mail: [mthompson@pspower.ca](mailto:mthompson@pspower.ca)

##### Counsel for the Applicants

Borden Ladner Gervais LLP, 40 King Street West Toronto, ON M5H 3Y4  
Attention: Ms. Bernadette Corpuz Tel: 416-367-6747  
Fax: 416-361-7318 E-mail: [BCorpuz@blg.com](mailto:BCorpuz@blg.com)

Photograph: Sandy Lockhart

Curtis  
the r

By S  
N  
zine  
Mu:  
B  
rece  
and  
spe  
Up  
"

(Sn  
Arr  
the  
Gr:  
hav  
ho  
l

we  
th:  
M

an  
be

sa  
in  
la

fa  
h  
n

I  
n

r