

April 10, 2013

Board Secretary

Ontario Energy Board

P.O. Box 2319

27th Floor

2300 Yonge Street

Toronto ON M4P 1E4

RE: Orangeville Hydro Limited – ED-2002-0500

Account 1572, Z Factor Extraordinary Event

Dear Ms. Walli,

Orangeville Hydro would like to inform the Board about an extraordinary event. In 2010 we dismantled one of our distribution stations as it was no longer required due to conversion to another voltage. We contracted Greenport Environmental to deliver an assessment report of the site costing $9,450.  There were noted contaminants on the report which necessitated a Ministry of Environment Phase 2 environmental assessment during 2011 costing $28,820. After that assessment, the report indicated that full remediation would be required to rid the site of contaminants and make the land saleable. In 2012, digging commenced and during this process, it was found that the depth of the contaminants increased and the decision was made to stop excavation and entomb the site. This phase amounted to $325,868.  During this phase it came apparent that a full remediation was not possible and the land use was limited to parking lot status. There was a total of $364,118 charged to the land account.  There was much Board discussion during these periods to determine how we should approach the clean-up and in 2012 resolved to remediate the site to mitigate any further liability.

We had an evaluation from a real estate agent assessing the value at $100,000 and that amount is now sitting on the books thereby recording $270,589 in Account 1572.

Orangeville Hydro Limited will be applying to the Board to demonstrate the causation, materiality and prudence on the environmental clean-up of this site. If you have any questions, please contact Jan Howard at 519-942-8000 or [jhoward@orangevillehydro.on.ca](mailto:jhoward@orangevillehydro.on.ca).

Regards,

Orangeville Hydro Limited

George Dick

President

CC: Jay Shepherd, School Board Coalition

Michael Janigan, Vulnerable Energy Consumers Coalition