



EB-2006-0186

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S. O. 1998, c.15, Schedule B;

AND IN THE MATTER OF an application by Greater Sudbury
Hydro Inc. under section 86 of the *Ontario Energy Board Act*,
1998 seeking leave to amalgamate with West Nipissing Energy
Services Ltd.

PROCEDURAL ORDER NO. 1

On July 27, 2006, Greater Sudbury Hydro Inc. ("GSHI" or the "Applicant") filed an application with the Ontario Energy Board seeking leave to amalgamate with West Nipissing Energy Services Ltd. ("WNESL") (the "Application"). The Application has been assigned Board File Number EB-2006-0186.

The Board issued a Notice of Application and Written Hearing on September 7, 2006. The Applicant published the Notice in local newspapers on November 18, 21 and 22, 2006.

By letter dated November 29, 2006, the West Nipissing Chamber of Commerce ("WNCC") requested intervenor status in this matter. The WNCC did not request a cost award or an oral hearing.

By letter dated December 4, 2006, the Board granted intervenor status to the WNCC. There are no other intervenors in this proceeding.

A list of parties to the proceeding is attached as Appendix A to this Procedural Order.

In determining this application, the Board will be guided by the principles set out in the Board's decision in the combined MAADs proceeding (Board File Numbers RP-2005-0018/EB-2005-0234/EB-2005-0254/EB-2005-0257). The factors to be considered in

approving an application for an amalgamation under section 86 of the *Ontario Energy Board Act, 1998* (the "Act") are the factors outlined in section 1 of the Act.

Section 1 of the Act sets out the objectives of the Board in relation to electricity. The objectives are:

1. To protect the interests of consumers with respect to prices and the adequacy, reliability and quality of electricity service.
2. To promote economic efficiency and cost effectiveness in the generation, transmission, distribution, sale and demand management of electricity and to facilitate the maintenance of a financially viable electricity industry.

In the decision on the combined MAADs proceeding, the Board also stated that the test to be applied to amalgamations would be the "no harm" test (i.e., whether the proposed transaction will have an adverse effect relative to the status quo in relation to the Board's statutory objectives).

It should be noted that the Board does not approve or set rates in the distribution area of either utility as part of an application for leave to amalgamate. Should they wish to do so parties will have the opportunity to intervene in future rates proceedings where rates will be generally at issue. Parties may comment on the issue of rates as it relates to this proceeding if it can be shown that the proposed transaction (i.e., the amalgamation itself) would have a negative impact on the interests of consumers with respect to prices.

Any submissions made to the Board in relation to the Application should be guided by the above mentioned test and objectives.

The Board considers it necessary to make provision for the following matters related to this proceeding. The Board may issue further procedural orders from time to time.

THE BOARD ORDERS THAT:

1. The Application will proceed by way of a written hearing.
2. To the extent that it has not already done so, the Applicant shall immediately provide a copy of the Application to the WNCC, together with a copy of all other materials filed by the Applicant in this proceeding.

3. If the WNCC wishes to file a written submission in relation to the Application, the WNCC shall file its written submission with the Board and deliver it to the Applicant on or before Thursday, February 12, 2007.
4. The Applicant may file a reply to any submission made by the WNCC. The Applicant shall file its response with the Board and deliver to the WNCC on or before Thursday, February 23, 2007.

All filings to the Board noted in this procedural order must be in the form of 5 hard copies and must be received by the Board by 4:45 p.m. on the stated dates. In addition to the hard copies which are filed, all parties must include a copy of their filings in searchable PDF format, either on diskette or by e-mail to boardsec@oeb.gov.on.ca.

ISSUED at Toronto, January 30, 2007

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

**GREATER SUDBURY HYDRO INC.
APPLICATION FOR LEAVE TO AMALGAMATE WITH
WEST NIPISSING ENERGY SERVICES LTD.**

EB-2006-0186

LIST OF PARTIES

January 30, 2007

Applicant

Rep. And Address for Service

Greater Sudbury Hydro Inc.

Doug Reeves, P. Eng.
President and Secretary
500 Regent St.
PO Box 250
Sudbury ON
P3E 4P1

Tel: (705) 675-7536
Fax: (705) 675-0528
e-mail: dougr@shec.com

Intervenor

Rep. And Address for Service

West Nipissing Chamber of
Commerce

Suzanne Gammon
President
West Nipissing Chamber of Commerce
200 Main Street, Unit B
Sturgeon Falls ON
P2B 1P2

Tel: (705) 753-5672