

EB-2015-0130

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

AND IN THE MATTER OF an application pursuant to
section 74 of the *Ontario Energy Board Act, 1998* by
Hydro One Networks Inc. and Veridian Connections Inc.
seeking an order to amend their current Electricity
Distribution Licences (ED-2003-0043 and ED-2002-0503
respectively);

AND IN THE MATTER OF an application pursuant to
section 86(1)(b) of the *Ontario Energy Board Act, 1998*
by Hydro One Networks Inc. seeking an order granting
leave to sell distribution assets necessary in serving the
public to Veridian Connections Inc.

By delegation, before: Peter Fraser

DECISION AND ORDER
June 11, 2015

THE APPLICATION

Hydro One Networks Inc. (Hydro One) and Veridian Connections Inc. (Veridian) filed a joint application with the Ontario Energy Board (OEB) on March 24, 2015 under sections 74 and 86(1)(b) of the *Ontario Energy Board Act, 1998* (OEB Act). The application seeks an order of the OEB to amend the applicants' licensed distribution service areas and to approve the sale of distribution assets necessary in serving the public from Hydro One to Veridian.

The OEB issued its Notice of Application and Written Hearing on April 10, 2015. The notice was served by Hydro One upon the customers located on the lands that are the subject of the service area amendment application. No customers responded to the Notice of Application and Written Hearing.

The lands that are the subject of the service area amendment are described in Appendix A to this Decision and Order.

The application addresses the long term load transfer (LTLT) arrangement between Veridian and Hydro One. A long term load transfer is a situation in which a customer is within one distributor's service area but is actually served electricity from a second distributor. In this case, Veridian is the physical distributor (i.e., provides the physical delivery of electricity to the customers) while Hydro One is the geographic distributor (i.e., licensed to serve the customers).

Section 6.5.4 of the OEB's Distribution System Code requires geographic distributors to eliminate LTLT arrangements by either negotiating the transfer of the customers to the physical distributor or by the geographic distributor extending its system to connect the customers.

The proposed service area amendments would transfer 41 customers, who are currently connected to Veridian's distribution system but are located within Hydro One's licensed service area to Veridian's licensed service area. Presently, the 41 customers are considered Hydro One customers. After the amendment, these customers will be billed and otherwise served by Veridian as Veridian customers. The application states that the proposed service area amendment would have no impact on Hydro One's licence, as Hydro One's service area in the Municipality of Clarington includes all areas with the exception of that served by Veridian.

The assets proposed to be sold by Hydro One to Veridian in this transaction include a number of poles, transformers and a switch as described in the application. These assets serve and will continue to serve the transferred customers.

FINDINGS

The service area amendment is prompted by the OEB's policy that requires the elimination of long term load transfers. The application is consistent with OEB policy.

The applicants stated that the proposed service area amendment is the most cost-effective approach for eliminating the subject LTLT arrangement. The applicants further stated that it would not be economical and cost effective for Hydro One to expand its distribution system to connect the these customers. According to the application, safety, reliability and service quality will not be affected. The current distribution rates for the customers being transferred from Hydro One to Veridian will be lower as a result of the service area amendment.

In relation to the sale of the distribution assets from Hydro One to Veridian, the application stated that Hydro One's distribution assets are currently used and will continue to be used to service the customers to be transferred to Veridian. The sale price for the assets proposed to be sold by Hydro One to Veridian represents the net book value of the assets.

I find that it is in the public interest to amend Schedule 1 of Veridian's electricity distribution licence to reflect the transfer of the 41 customers from Hydro One to Veridian. I also find that it is in the public interest to grant Hydro One leave to sell the assets described above to Veridian.

IT IS THEREFORE ORDERED THAT:

1. Veridian Connections Inc.'s electricity distribution licence (ED-2002-0503), specifically Schedule 1 of the licence, is amended to include the lands described in Appendix A to this Decision and Order.
2. Hydro One Networks Inc. is granted leave to sell the assets described above.

DATED at Toronto, June 11, 2015

ONTARIO ENERGY BOARD

Original signed by

Peter Fraser
Vice President, Industry Operations & Performance

Appendix A

Legal Description of the Lands that are the Subject of the Service Area Amendment – EB-2015-0130

No.	Premise Address	Legal Description	No.	Premise Address	Legal Description
1	4 Cedar Crest Beach Rd., Darlington	Lot 4 Conc BF 181 701 002 001 500	22	105 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 004 300
2	9 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 000 800	23	107 Cedar Crest Beach Rd., Darlington	Lot 12 Con BF 181 701 002 004 400
3	43 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 002 100	24	109 Cedar Crest Beach Rd., Darlington	Lot 12 Con BF 181 701 002 004 500
4	49 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 002 200	25	111 Cedar Crest Beach Rd., Darlington	Lot 12 Con BF 181 701 002 004 600
5	55 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 002 400	26	115 Cedar Crest Beach Rd., Darlington	Lot 12 Con BF 181 701 002 004 700
6	59 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 002 50	27	119 Cedar Crest Beach Rd., Darlington	Lot 12 Con BF 181 701 002 004 800
7	63 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 002 600	28	121 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 004 900
8	67 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 002 700	29	123 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 005 000
9	69 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 002 800	30	125 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 005 100
10	71 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 002 900	31	127 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 005 200
11	75 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 003 100	32	131 Cedar Crest Beach Rd., Darlington	Lot 12 Con BF 181 701 002 005 300
12	79 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 003 200	33	133 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 005 500
13	81 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 003 300	34	135 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 005 600
14	83 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 003 003 400	35	137 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 005 700
15	91 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 003 600	36	139 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 005 800
16	93 Cedar Crest Beach Rd., Darlington	181 701 002 003 700	37	141 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 005 900
17	95 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 003 800	38	143 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 006 000
18	97 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 003 900	39	149 Cedar Crest Beach Rd., Darlington	Lot SH 12 Conc BF 181 701 002 006 200
19	99 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 004 000	40	151 Cedar Crest Beach Rd., Darlington	Lot SH 12 Conc BF 181 701 002 006 300
20	101 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 004 100	41	16 Cedar Crest Beach Rd., Darlington	Lot 13 Conc BF 181 701 002 001 300
21	103 Cedar Crest Beach Rd., Darlington	Lot 12 Conc BF 181 701 002 004 200			

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

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This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

AJAX/PICKERING SERVICE AREA

The alpha-numeric point numbers below refer to the reference map provided on page 23 of this document.

WESTERN BOUNDARY

1. Point #1 is located at the mouth of the Rouge River. The boundary proceeds in a north-westerly direction along the Rouge River to where it intersects with the straight-line projection of the York-Durham Town Line.
- 1A. Point # 1A located at the intersection of the Rouge River and the straight-line projection of the York-Durham Town Line. The boundary continues north to point # 2.

NORTHERN BOUNDARY

2. Point # 2 is located at the intersection of the York-Durham Town Line and the Uxbridge Pickering Town Line also known as the 10th Concession Road Allowance. The boundary turns easterly and follows in a straight line along this Town Line/Road Allowance to Point #3.

EASTERN BOUNDARY

3. Point # 3 is located at the intersection of Uxbridge Pickering / Town Line and Lakeridge Road. The boundary turns southerly and follows Lakeridge Road to Point #11, with the exception of seven excursions taking in the six registered parcels of land as detailed in the following table:

Veridian Point No.	Municipal Address, Town of Whitby	Legal Description
4	8875 Lakeridge Road	Concession 8, Part Lot 34, 35 and Concession 9, Part Lot 35 and Part of Road Allowance Now RP 40R13254, Part 1 205.57AC
5	8405 Lakeridge Road	Concession 8, Part Lot 34, 35 Now RP 40R7371, Part 1, 56.50AC
6	8195 Lakeridge Road	Concession 8, Part Lot 34, 35.55AC
7	6605 Lakeridge Road	Concession 6, Part Lot 35, 9.47AC
8 and 9	605 Lakeridge Road South	Broken Front Concession, Part Lot 35, Now RP 40R7831, Part 1 Regulator 0.04AC 32.81FR 49.21D
10	715 Halls Road	Broken Front Concession, Part Lot 34, 2.00AC

SOUTHERN BOUNDARY

4. Point # 11 is at Lakeridge Road and Lake Ontario. The boundary turns westerly following the Lake Ontario frontage to Point #1.

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BELLEVILLE SERVICE AREA

The alpha-numeric point numbers below refer to the reference map provided on page 24 of this document.

WESTERN BOUNDARY

1. The western boundary of the existing Belleville Service Area starts at point #1 which is located at the Bay of Quinte, 0.1 km west of Avondale Road. The boundary continues parallel to Avondale Road to point #2, with the exception of an additional contiguous parcel extending to the west of Belleville, County of Hastings (476 Dundas Street West - Hastings County Manor).
2. Point #2 is located 0.1 km south of Harder Drive at the north-west corner of 180 Avondale Road. The boundary turns east following the north lot line of 180 and 179 Avondale Road and the south lot line of 67 Harder Drive to point #3.
3. Point #3 is located at the south-east corner of 67 Harder Drive. The boundary then turns north following the west lot line of 44 Glen Road to point #4.
4. Point #4 is located at the north-west corner of 44 Glen Road. The boundary then turns east following the north lot line of 44 and 45 Glen Road and 200 and 201 Wright Avenue to point #5.
5. Point #5 is located at the north-east corner of 201 Wright Avenue. The boundary then turns north following the east lot lines of 36 Harder Drive and the east lot lines of 62, 64, 66, 68, 72, 76 Kensington Crescent and the west lot lines of 2 and 4 Haslett Court to point #6.
6. Point #6 is located at the north-west corner of 4 Haslett Court. The boundary turns east following the north lot lines of 4, 6, 8 Haslett Court and 8, 10, 12 Wilmot Court to point #7.
7. Point #7 is located at the north-east corner of 12 Wilmot Court. The boundary then turns north following the west lot lines of 19, 21, 23 Benson Court, plus west lot lines of 29, 31, 33, 35, 37, 39, 41, 43, 45 Sherwood Court, plus the west lot lines of 29, 31, 33, 35, 37, 39, 41, 43, 45 Bogart Crescent to Point #8.
8. Point #8 is located at the north-west corner of 45 Bogart Crescent. The boundary then turns east following the north lot lines of 47, 49, 51, 53, 55, 57, 59, 61, 63, 65, 67, 69 Bogart Crescent, crosses Palmer Road and continues east for approximately 0.19km to point #9.
9. Point #9 is located approximately 0.19 km east of Palmer Road. The boundary then turns north at this point following the west lot line of 40 Wilson Avenue and the west lot line of 39 Pepper Avenue for approximately 0.23 km to point #10.
10. Point #10 is located at the south-east corner of 4 Lake Court. The boundary then turns west, following the south lot lines of 4, 6, 8 Lake Court for approximately 0.05 km to point #11.
11. Point #11 is located at the south-west corner of 8 Lake Court. The boundary then turns north following the west lot lines of 10, 12, 14 Lake Court and 337 Moira Street West for approximately 0.16 km to point #12.

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12. Point #12 is located at the south lot line of 9 Jeanette Place. The boundary then turns west following the south lot line of 9 and 11 Jeanette Place and 8, 10, 12 Dixie Place for approximately 0.14 km to point #13.
13. Point #13 is located at the south-west corner of 12 Dixie Place. The boundary then turns north following the west lot lines of 12, 14 and 16 Dixie Place, 135 and 136 Progress Avenue, 291 and 290 College Street West, 16, 18, 20, 22, 24, 26, 28, 30, 32 Beverley Crescent and 1 Robert Drive; then the west lot lines of 129, 126, 124, 122, 120, 118, 116, 114, 112, 110, 108, 106, 104, 102, 100, 98, 96, 94, 92, 90, 88, 86, 84, 82, 80, 78 Tracey Park Drive and 2, 4, 6, 8, 10 Queensboro Court, and north to point #14, located approximately 0.7 km west of Sidney Street at Highway #401, with the exception of an additional contiguous parcel extending to the west of this line immediately north of Bell Blvd. known as Part of Lot 36, Concession 2 in the City of Quinte West, Hastings County Plan 21-R-19964 (Loyalist Veterinary Hospital)..

NORTHERN BOUNDARY

14. Point #14 is located approximately 0.7 km west of Sidney Street at Highway # 401. The boundary turns east following the southern boundary of Highway #401 road allowance for approximately 6.40 km to point #15.

EASTERN BOUNDARY

15. Point #15 is located on the eastern limit of Lot 15, Concession II, former Thurlow Township, at the southerly limit of the Highway #401. The boundary turns south and runs approximately 4.44 km to point #16.
16. Point # 16 is located on the easterly limit of Lot 15, Broken Front Concession, former Thurlow Township, at the northerly limit of Highway #2 (Dundas Street East). The boundary turns west and runs approximately 0.68 km to point #17.
17. Point #17 is located on the northerly limit of Highway #2 (Dundas Street East) approximately 0.78km west of point #13. The boundary then turns south and follows the east lot line of 665 Dundas Street East (East Half Lot 13, Broken Front Concession, former Thurlow Township) and runs approximately 0.28 km south to point #18.

SOUTHERN BOUNDARY

18. Point #18 is located on the north shore of the Bay of Quinte at the south-east corner of 665 Dundas Street East. This point is approximately 1.55 km west of Elmwood Drive. The boundary follows the north shore of the Bay of Quinte westward to point #1.

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

BROCK – BEAVERTON SERVICE AREA

The alpha-numeric point numbers below refer to the reference map provided on page 25 of this document.

WESTERN BOUNDARY

1. The western boundary starts at point # 1, which is located at the intersection of the railway and Concession 5. The boundary follows the railway to point # 2.
2. Point # 2 is 1.5 km from point # 1 along the railway. The boundary turns west, parallel to Main Street West to point # 3.
3. Point # 3 is located on Nine Mile Road, 0.35 km from Main Street West. The boundary continues along Nine Mile Road to point # 4.
4. Point # 4 is located on Nine Mile Road, 0.16 km from Main Street West. The boundary turns west parallel to Main Street West to point # 5.
5. Point # 5 is located 0.13 km from point # 4. The boundary turns north parallel to Nine Mile Road to point # 6.
6. Point # 6 is located 0.11 km from point # 5. The boundary turns west parallel to Main Street West to point # 7.
7. Point # 7 is located 0.2 km from point # 6. The boundary turns north parallel to Nine Mile Road to point # 8.
8. Point # 8 is located 0.07 km from point # 7. The boundary turns and follows Lake Simcoe to point # 9.
9. Point # 9 is located 0.05 km from Harbour Park Crescent. The boundary follows the harbour jetty to point # 10.
10. Point # 10 is located 0.28 km from point # 9. The boundary turns north parallel to the Lake Simcoe Shore to point # 11.
11. Point # 11 is located 0.11 km from point # 10. The boundary turns east to point # 12.
12. Point # 12 is located 0.03 km from the end of Wellington Street on the Lake Simcoe Shore. The boundary follows the lake to point # 13.

NORTHERN BOUNDARY

13. Point # 13 is located on the lakeshore at the continuation of Victoria Street. The boundary turns east to the intersection of Victoria and Morrison Ave. The boundary turns north to follow Morrison Ave. to point # 14.

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

14. Point # 14 is located at the intersection of 9th Street and Morrison Ave. The boundary turns to the east and follows the road allowance for 9th Street to point # 15.
15. Point # 15 is located at the railway on the continuation of the road allowance from 9th Street. The boundary turns north to follow the railway to point # 16.
16. Point # 16 is located 0.19 km along the railway from point # 15, turns east parallel to Lake Land Crescent to point # 17. The offset from Lake Land Crescent is 0.12 km.
17. Point # 17 is located 0.08 km from Mara Road. The boundary turns parallel to Mara Road to point # 18.
18. Point # 18 is located where the boundary intersects the river. The boundary turns east to follow the river to point # 19.

EASTERN BOUNDARY

19. Point # 19 is located 0.76 km from Main Street East. The boundary turns south parallel to James Street to point # 20.
20. Point # 20 is located 0.32 km from James Street and 0.26 km from Main Street. The boundary turns east, parallel to Main Street, to point A.
 - A. Point A is located 0.24 km from point # 20. The boundary turns south parallel to James Street to point B.
 - B. Point B is located 0.33 km south of point A. The boundary turns southwest to point C.
 - C. Point C is located at the river 0.42 km from point B. The boundary turns southwest to point D.
 - D. Point D is located 0.43 km from Madill on Simcoe Street. The boundary continues southwest to point E.
 - E. Point E is located 0.1 km from point D. The boundary turns south to point F.

SOUTHERN BOUNDARY

- F. Point F is located 0.5 km south of point E. The boundary turns west along the road allowance for Concession 5 to point # 1.

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BROCK – CANNINGTON SERVICE AREA

The alpha-numeric point numbers below refer to the reference map provided on page 26 of this document.

WESTERN BOUNDARY

1. The western boundary of Cannington starts at point # 1. Point # 1 is located 0.26 km east of Sideline 18A and 0.65 km south of point # 2 (on Cameron Street West).
2. Point # 2 is located 0.35 km west of Albert Street on Cameron Street West. The boundary continues north to point # 3.
3. Point # 3 is located 0.07 km north of point # 2. The boundary turns east parallel to Cameron Street West to point # 4.
4. Point # 4 is located 0.33 km east of point # 3. The boundary turns north parallel to Country Lane to point # 5.

NORTHERN BOUNDARY

5. Point # 5 is located 0.5 km north of point # 4 at the Beaver River. The boundary follows the river east to point # 6.
6. Point # 6 is located 0.1 km north of Riverlea Road and 0.25 km west of Laidlaw Street North. The boundary turns north parallel to Laidlaw Street North to point # 7.
7. Point # 7 is located 0.31 km north of point # 6. The boundary turns east parallel to Cameron Street East to point # 8.

EASTERN BOUNDARY

8. Point # 8 is located 1.34 km east of Laidlaw Street. The boundary turns south parallel to Laidlaw Street North to point # 9.
9. Point # 9 is located 0.56 km south of point # 8. The boundary turns east parallel to Cameron Street East to point # 10.
10. Point # 10 is located 0.16 km east of point # 9. The boundary turns south to point # 11.
11. Point # 11 is located 1.0 km west of Regional Road # 2 on Cameron Street East. The boundary continues south to point # 12.
12. Point # 12 is located 0.05 km south of Cameron Street and 0.03 km west of point # 11. The boundary turns west parallel to Cameron Street East to point # 13.
13. Point # 13 is located 0.42 km west of point # 12. The boundary turns south parallel to Peace Street to point # 14.

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

14. Point # 14 is located 0.68 km south of point # 13. The boundary turns southwest to point # 15.
15. Point # 15 is located 0.86 km south of Cameron Street East and 0.72 km east of Laidlaw Street South. The boundary turns south parallel to Laidlaw Street South to point # 16.

SOUTHERN BOUNDARY

16. Point # 16 is located 0.12 km south of point # 15. The boundary turns west parallel to Cameron Street East to point # 17.
17. Point # 17 is located 0.89 km west of point # 16. The boundary turns north parallel to Laidlaw Street South to point # 18.
18. Point # 18 is located 0.54 km north of point # 17. The boundary turns west parallel to Cameron Street West to point # 19.
19. Point # 19 is located 0.38 km west of point # 18. The boundary turns southwest to point # 20.
20. Point # 20 is located 0.51 km south of Cameron Street West and 0.46 km east of Sideline 18A. The boundary turns south, parallel to Sideline 18A, to point A. A. Point A is located 0.16 km south of point # 20. The boundary turns west to point # 1.

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BROCK – SUNDERLAND SERVICE AREA

The alpha-numeric point numbers below refer to the reference map provided on page 27 of this document.

WESTERN BOUNDARY

1. Point # 1 is located 0.34 km south of River Street and 0.4 km west of Albert Street. The boundary continues north to point # 2.
2. Point # 2 is located 0.14 km west of Rynard Street, on River Street. The boundary continues north to point # 3.

NORTHERN BOUNDARY

3. Point # 3 is located 0.48 km north of River Street. The boundary turns to the east at this point and continues to point # 4, parallel to River Street.
4. Point # 4 is located 0.42 km east of point # 3. The boundary turns south to point # 5.
5. Point # 5 is 0.09 km south of point # 4. The boundary turns east, parallel to River Street to point # 6.

EASTERN BOUNDARY

6. Point # 6 is 0.69 km east of point # 5. The boundary turns south to point # 7.
7. Point # 7 is 0.17 km east of Hwy # 12 on Concession 6. The boundary turns east on Concession 6 to point # 8.
8. Point # 8 is 0.33 km east of point # 7 on Concession 6. The boundary turns south to point # 9.
9. Point # 9 is 0.13 km south of point # 8. The boundary turns west to point # 10, parallel to Concession 6.
10. Point # 10 is 0.48 km west of point # 9. The boundary turns south to point # 11, and parallel to Hwy # 12.

SOUTHERN BOUNDARY

11. Point # 11 is 0.6 km south of point # 10. The boundary turns west to point # 12.
12. Point # 12 is 0.02 km north of Thompson Road on Albert Street South. The boundary turns north to point # 13.
13. Point # 13 is on Albert Street South, 0.30 km north of point # 12. The boundary turns southwest to point # 14, running along the northern property lines of the residential lots that front the north side of Rennie Street.

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

14. Point # 14 is 0.19 km southwest of point # 13 and is located at the north-west corner of the most westerly of the residential lots that front the north side of Rennie Street. The boundary turns south and runs along the western flank of the property, extending across Rennie Street to point # 15.
15. Point # 15 is 0.04 km south of point # 14 and is located on the south side of Rennie Street. The boundary turns west and runs to point # 16, following Rennie Street and then the southern flank of the most southerly residential lot that fronts the west side of Rennie Street.
16. Point # 16 is 0.08 km west of point #15 and is located at the south-west corner of the most southerly residential lot that fronts the west side of Rennie Street. The boundary turns northwest and runs in an uneven line to point # 17, following the western property lines of the residential lots that front the west side of Rennie Street.
17. Point # 17 is 0.07 km northwest of point #16 and is located on the western property line of a residential lot that fronts the west side of Rennie Street. The boundary turns west and runs to point #1.

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CLARINGTON – BOWMANVILLE SERVICE AREA

The alpha-numeric point numbers below refer to the reference map provided on page 28 of this document.

WESTERN BOUNDARY

1. The boundary starts at point # 1, on Lake Ontario and follow Waverly Road to point # 2.
2. Point # 2 is 0.17 km south of Hwy # 401 on Waverly Road. The boundary turns west for 0.5 km to point # 3.
3. Point # 3 is 0.05 km south of South Service Road on the extension of Martin Road. The boundary turns north following the extension of Martin Road to the intersection of Martin Road and Hwy # 57 to point # 4.
4. The boundary follows Hwy # 57 north to point # 5 at the intersection of Hwy # 57 and Concession Road # 3.

NORTHERN BOUNDARY

5. The boundary turns east to point # 6 following Concession Road # 3.

EASTERN BOUNDARY

6. Point # 6 is 0.4 km west of Lambs Road on Concession Road # 3. The boundary turns south for 1.05 km to point # 7, and runs parallel to Lambs Road.
7. Point # 7 turns east for 0.4km until it meets Lambs Road at point # 8.
8. Point # 8 turns south and runs along Lambs Road for 0.3 km to point # 9.
9. Point # 9 turns east and runs along the northern property line of 2273 Lambs Road for 100m until it reaches the northeast corner of said property at Point # 10.
10. Point # 10 turns south and runs along the eastern property line of 2273 Lambs Road for 70m until it reaches the southeast corner of said property at Point # 11.
11. Point # 11 turns west and runs along the southern property line of 2273 Lambs Road for 100 m to Point # 12.
12. Point # 12 turns south and runs along Lambs Road for 0.7 km to Point # 13, at the intersection of Lambs Road and Concession Street East.
13. Point # 13 turns west for 0.4 km to Point # 14.
14. Point # 14 turns south for 3.5 km to Point # 15, parallel to Lambs Road.

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SOUTHERN BOUNDARY

15. Point # 15 is 0.4 km west of South Service Road. The boundary follows Lake Ontario to point # 1.

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CLARINGTON – NEWCASTLE SERVICE AREA

The alpha-numeric point numbers below refer to the reference map provided on page 29 of this document.

WESTERN BOUNDARY

1. The boundary starts at point # 1 where the continuation of Toronto Street would meet Lake Ontario. The boundary heads north along the road allowance of Toronto Street to point # 2, 1 km west of Mill Street at Hwy # 401.
2. The boundary continues north from this point and follows the road allowance of Rudell Road to point # 3, where Rudell Road terminates north of Given Road, with the exception of an additional contiguous parcel extending to the west of this line approximately opposite Hart Blvd. known as Lot 31, Concession 1 in the former Township of Clarke in Clarington, Part 1, Plan 40R-2074 (St. Francis Elementary School),
3. The boundary continues north from point # 3 to point # 4 north of Hwy # 115.

NORTHERN BOUNDARY

4. Point # 4 is immediately south of the railway track and just northwest of Hwy # 115. The boundary follows the south side of the railway track to point 5.
5. Point # 5 is located at the intersection of the east side of Hwy # 115 and the south side of the railway. The boundary proceeds east following the south side of the railway to point # 6.
6. Point # 6 is located 0.09 km west of Manvers Road on the south side of the railway. The boundary turns north to point # 7, parallel to Manvers Road.
7. Point # 7 is located 0.3 km north of point # 6 and 0.09 km west of Manvers Road. The boundary turns east to point # 8.
8. Point # 8 is located 0.09 km east of Manvers Road and 0.3 km north of point # 9. The boundary turns south, parallel to Manvers Road.
9. Point # 9 is located 0.07 km east of Manvers Road on the south side of the railway. The boundary turns east along the south side of the railway to point # 10.
10. Point # 10 is located 0.11 km west of Arthur Street on the south side of the railway. The boundary turns north parallel to Arthur Street to point # 11.
11. Point # 11 is located 0.3 km north of point # 10 and 0.09 km west of Arthur Street. The boundary turns east at this point to point # 12.
12. Point # 12 is located 0.09 km east of Arthur Street and 0.3 km north of point # 13. The boundary turns south parallel to Arthur Street to point # 13.

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

13. Point # 13 is located 0.07 km east of Arthur Street on the south side of the railway. The boundary turns east at this point along the south side of the railway to point # 14.

EASTERN BOUNDARY

14. Point # 14 is located at the intersection of the railway and Hwy # 2, on the west side of the railway. The boundary follows the road allowance for Farrow Ave. to point # 15 at Hwy # 401.
15. Point # 15 is located at the intersection of Farrow Ave and Hwy # 401. The boundary continues south to point # 16 following the road allowance for Riley Road.

SOUTHERN BOUNDARY

16. Point # 16 is located at the continuation of Riley Road and Lake Ontario. The boundary turns west following the Lake Ontario shore to point # 1.

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

CLARINGTON – ORONO SERVICE AREA

The alpha-numeric point numbers below refer to the reference map provided on page 30 of this document.

WESTERN BOUNDARY

1. Point #1 is located 0.2 km west of Main Street following the extension of the road allowance of Sommerville Drive. The boundary continues north to point # 2.
2. Point # 2 is located on Princess Street, 0.09 km west of Leigh Street. The boundary continues north to point # 3.
3. Point # 3 is located 0.09 km north of Princess Street and 0.1 km west of Leigh Street. The boundary continues north to point # 4.
4. Point # 4 is located 0.4 km west of Main Street on Station Street. The boundary continues north to point # 5.
5. Point # 5 is located 0.29 km north of the Mill Street and Main Street intersection and 0.18 km west of Main Street. The boundary continues north to point # 6.
6. Point # 6 is located 0.88 km north of the Mill Street and Main Street intersection and 0.18 km west of Main Street.

NORTHERN BOUNDARY

7. The boundary continues east from point # 6 through the north lot line of 5771 Main Street to point # 7. Point # 7 is located on Mill Lane, 0.17 km north of the intersection of Mill Lane and Mill Street. The boundary continues east to point # 8.
8. Point # 8 is located on Mill Street, 0.15 km north of the intersection of Mill Street and Mill Lane. The boundary continues east following the west property line of the Mill Street road allowance to point # 9.

EASTERN BOUNDARY

9. Point # 9 is located at the intersection of Mill Street and Hwy # 115. The boundary turns south along the west property line of Hwy # 115 to point # 10.

SOUTHERN BOUNDARY

10. Point # 10 is located at the end of Sommerville Drive at the west boundary of the road allowance for Hwy # 35/115. The boundary turns west from this point and follows the road allowance for Sommerville Drive to point # 1.

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

GRAVENHURST SERVICE AREA

The alpha-numeric point numbers below refer to the reference map provided on page 31 of this document.

Beginning at the most northeast corner of the Town of Gravenhurst (the northeast corner of Muskoka County Conc. IX Lot 1), in a clockwise direction, the franchise area limits are an irregular polygon the bounds of which are described as a line:

EASTERN BOUNDARY

The meets and bounds generally begin at the north-east corner of the Town of Gravenhurst but exclude Lot 1, Conc. IX and Lot 1, Conc VIII Muskoka.

1. Beginning at the intersection of the boundary between Lots 1 and 2, Conc. IX Muskoka and the north Muskoka County line, proceeding southerly along the boundary between Lots 1 & 2 (generally parallel to the eastern limit of the Town of Gravenhurst, or the Town of Bracebridge Town Line, being the Muskoka/Draper County Line) to point # 1A at the southeast corner of Lot 1, Conc. VIII, Muskoka;

At Point #1A turning easterly along the Conc. VIII/Conc. VII boundary and then following an irregular line along the west and south edges of Registered properties known as 1181 and 1188 Campbell's Road, Gravenhurst to Point # 1B at the intersection with the easterly limit of the Town of Gravenhurst;

At Point #1B turning southerly along the easterly limit of the Town of Gravenhurst to the point where the Town Line turns sharply east (southeast corner of Lot 1, Conc. I, Muskoka County 1 Lot 1);

2. continuing straight through the preceding point (and not following the Town line) in a straight line southerly along the boundary between the Counties of Ryde and Morrison to the north/south midpoint of Lot 1, Conc. X, Morrison;

SOUTHERN BOUNDARY

3. turning sharply west and continuing in a straight line bisecting Conc. X, Morrison, into north/south halves through Lots 1-13 and into Range East, Morrison, to a point on the boundary between Range West and Range East, Morrison;
4. there making a slight bend northerly and continuing westerly along a line again bisecting Conc. X through Lots 18-25, Conc. X, Morrison to a point immediately west of the boundary between Lots 25 and 26, Conc. X, Morrison;
5. turning sharply northerly along a line just west of the boundary between Lots 25 and 26, through Conc. X to a point midway (north/south) in Conc. XII, Morrison;

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

WESTERN BOUNDARY

6. there turning westerly and proceeding along a line approximately bisecting Conc. XII, Morrison, to a point on the boundary between Lots 34 and 35, Morrison;
7. turning sharply northerly along the boundary between Lots 34 and 35, Morrison to a point on the Morrison County boundary with Muskoka County;
8. turning sharply westerly and continuing on the south side of the boundary to the intersection of Morrison, Wood, and Muskoka Counties;
9. there turning northerly and following a line along the east side of the boundary between Wood and Muskoka Counties to a point midway in Conc. XVI, Wood;
10. there turning westerly and following a line bisecting Conc. XVI, Wood through Lots H to A to the boundary between Lot A and Lot 1, Conc. XVI, Wood;
11. there turning sharply northerly along a line following the west side of that boundary to the intersection with the allowance between Conc. XV and XVI, Wood;
12. turning sharply westerly along the center of that allowance to a point at the boundary between Lots 3 & 4, Wood;
13. turning sharply northerly along the boundary between Lots 3 & 4, Wood to the boundary between Conc. XII and XIII;
14. there turning sharply westerly and following the boundary between Conc. XII and XIII, Wood to the westerly limit of Lot 8, Wood County, also known as the westerly limit of the Town of Gravenhurst;
15. there turning sharply northerly and following the westerly limit of Lot 8, Wood (westerly limit of The Town of Gravenhurst) and then continuing to follow the limits of the Town of Gravenhurst northerly to the north most point of Wood County, there taking a slight turn westerly for some 300 meters to the northwest limit of the Town of Gravenhurst;

NORTHERN BOUNDARY

16. then turning sharply east to strike out across Lake Muskoka following the Gravenhurst/Bracebridge Town Line being an irregular open water route meeting the eastern shore at the northwest corner of Muskoka County Conc. IX Lot 14, and then a straight line easterly along the line between Conc. IX and X, Muskoka County, returning to the northeast corner of the Town of Muskoka.

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

PORT HOPE SERVICE AREA

The alpha-numeric point numbers below refer to the reference map provided on page 32 of this document.

WESTERN BOUNDARY

1. The western boundary of the existing Port Hope Service Area starts from point # 1, 1.37 km west of Victoria Street at Lake Ontario.
2. The boundary continues north to point # 2 located at 0.63 km west of Toronto Road on Marsh Road. The boundary continues north to point # 3.

NORTHERN BOUNDARY

3. Point # 3 is located 0.2 km west of Toronto Road at Hwy # 401. The boundary turns east to point # 4.

EASTERN BOUNDARY

4. Point # 4 is located at the intersection of Hamilton Road and Hwy # 401. The boundary turns south following the road allowance for Hamilton Road to point # 5.

SOUTHERN BOUNDARY

5. Point # 5 is located on the extension of Hamilton Road where it intersects Lake Ontario. The boundary turns west, following the lakeshore to point # 1.

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

SCUGOG SERVICE AREA

The alpha-numeric point numbers below refer to the reference map provided on page 33 of this document.

Beginning at the most northwest corner of the Veridian's Franchise Service Area, in a clockwise direction, the franchise area limits are an irregular polygon the bounds of which are described as a line:

NORTHERN BOUNDARY

1. Proceeding generally east along Reach Street to the intersection of Simcoe Street where it meets Coulter Street.
2. Continuing along Coulter Street easterly to 44.11531°N by 78.93664°W approximately in the middle of Lake Scugog

EASTERN BOUNDARY

3. Turning shapely south and continuing down the Lake to 44.10069°N by 78.92997°W
SOUTHERN BOUNDARY
4. Turning sharply west running parallel with Scugog Street before meeting with Applewood Crescent and continuing west to 44.09829°N latitude by 78.94213° W.
5. There turning to a south south-westerly direction before intersecting with Simcoe Street at Vanedward Drive.
6. There making a sharp turn west for approximately one hundred meters before turning gently south south-westerly again.
7. There meeting with the south east corner of Earl S Cuddy Blvd. heading in a westerly direction for about two hundred meters, then turning slightly to a west south-westerly direction.
8. Continuing to Union Avenue, still heading slightly to a south-westerly direction going east on Victoria Street past Union Avenue.
9. There making a slight bend back to westerly direction at the intersection of Ash Street continuing west to Old Scugog Road.
10. There it continues west to Maple Street.
11. Turning sharply north and continuing north on Maple Street to Alma Street.
12. Continuing in a straight-line north to Scugog Street.
13. Turning sharply to the west and continuing to the intersection of Queen Street.

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

WESTERN BOUNDARY

14. Turning sharply north and continuing to 44.10160°N by 78.96246°W
15. Turning slightly east north-easterly to the intersection of Old Scugog Road and McDonald Street.
16. Turning sharply north and continuing to the intersection of Old Scugog Road and Reach Road returning to the northwest boundary.

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

UXBRIDGE SERVICE AREA

The alpha-numeric point numbers below refer to the reference map provided on page 34 of this document.

WESTERN BOUNDARY

1. The western boundary of the existing Uxbridge Service Area starts at point # 1, which is located 0.65 km south of Brock Street West and is in line with the east property line of Center Road. The boundary continues north to point # 2.
2. Point # 2 is located on the northeast corner of 22 South Beech Street. The boundary turns west along the south property lines of 280 and 282 Brock Street West to point # 3.
3. Point # 3 is located on the southeast corner of 282 Brock Street West. The boundary turns north along the west property line of 282 Brock Street West to point # 4.
4. Point # 4 is located on the north side of Brock Street West on the extension of the west property line of 282 Brock Street West. The boundary turns east to point # 5.
5. Point # 5 is located at the intersection of Brock Street West and Center Road. The boundary turns north to point # 6 .

NORTHERN BOUNDARY

6. Point # 6 is located at the center line of the road allowance of Center Road, and in line with the north property line of 49 Center Road. The boundary turns to the east along the north property lines of 237,235,233,231 Maple Street, 56,55 Balsam Street, 24,26,27,25 Pine Street, 8,10,9,7 Latcham Court and continues to point # 7.
7. Point # 7 is located 0.16 km west of Main Street, on the continuation of the north property lines of 8,10,9,7 Latcham Court. The boundary turns north to point # 8.
8. Point # 8 is located 0.16 km west of Main Street. The boundary turns to the east following the north property lines of 214 Main Street and 1,3,5,7 Harvey Street to point # 9.
9. Point # 9 is located at the northeast corner of 7 Harvey Street. The boundary turns to the north along the west property line of 11 Harvey Street to point # 10.
10. Point # 10 is located at the northwest corner of 11 Harvey Street. The boundary turns east to point # 11.
11. Point # 11 is located at the northeast corner of 11 Harvey Street. The boundary turns south to point # 12.
12. Point # 12 is located at the intersection of the east property line of 11 Harvey Street, and the north property line of 15 Harvey Street. The boundary turns east to point # 13.
13. Point # 13 is located 0.2 km east of Main Street. The boundary turns south to point # 14.

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with condition 8.1 of this Licence.

14. Point # 14 is located 0.01 km north of the northwest corner of 102 Second Avenue. The boundary turns east to follow the centerline of Barton Lane to point # 15.

WESTERN BOUNDARY

15. Point # 15 is located 0.01 km north of the northeast corner of 31 Remion Crescent. The boundary turns south following the eastern boundaries of 31,29,27,25,23,21,19,17,15,13,11,9 Remion Crescent to point # 16.
16. Point # 16 is located on the southeast corner of 174 Reach Street. The boundary turns west to point # 17.

SOUTHERN BOUNDARY

17. Point # 17 is located 0.2 km south of Bell Street on Main Street. The boundary turns north on Main Street to point # 18.
18. Point # 18 is located 0.1 km south of Bell Street. The boundary turns west to point # 19.
19. Point # 19 is located 0.01 km west of the southeast corner of 166 Water Street. The boundary turns south following the center line of Water Street to point # 20.
20. Point # 20 is located 0.01 km east of the southeast corner of 172 Water Street. The boundary turns west following the south property line of 172 Water Street to point A.
- A. Point A is located at the southwest corner of 188 Water Street. The boundary turns north following the west property lines of 188,170,168 Water Street to point B.
- B. Point B is located at the northwest corner of 168 Water Street. The boundary turns west following the south boundary of 19,20 Joseph Street, 19,20 James Street, 18,20,22 Wilson Street, and 123 Toronto Street South. The boundary continues east to point # 1.

Schedule 1 Definition of Distribution Service Area of Veridian Connections Inc.

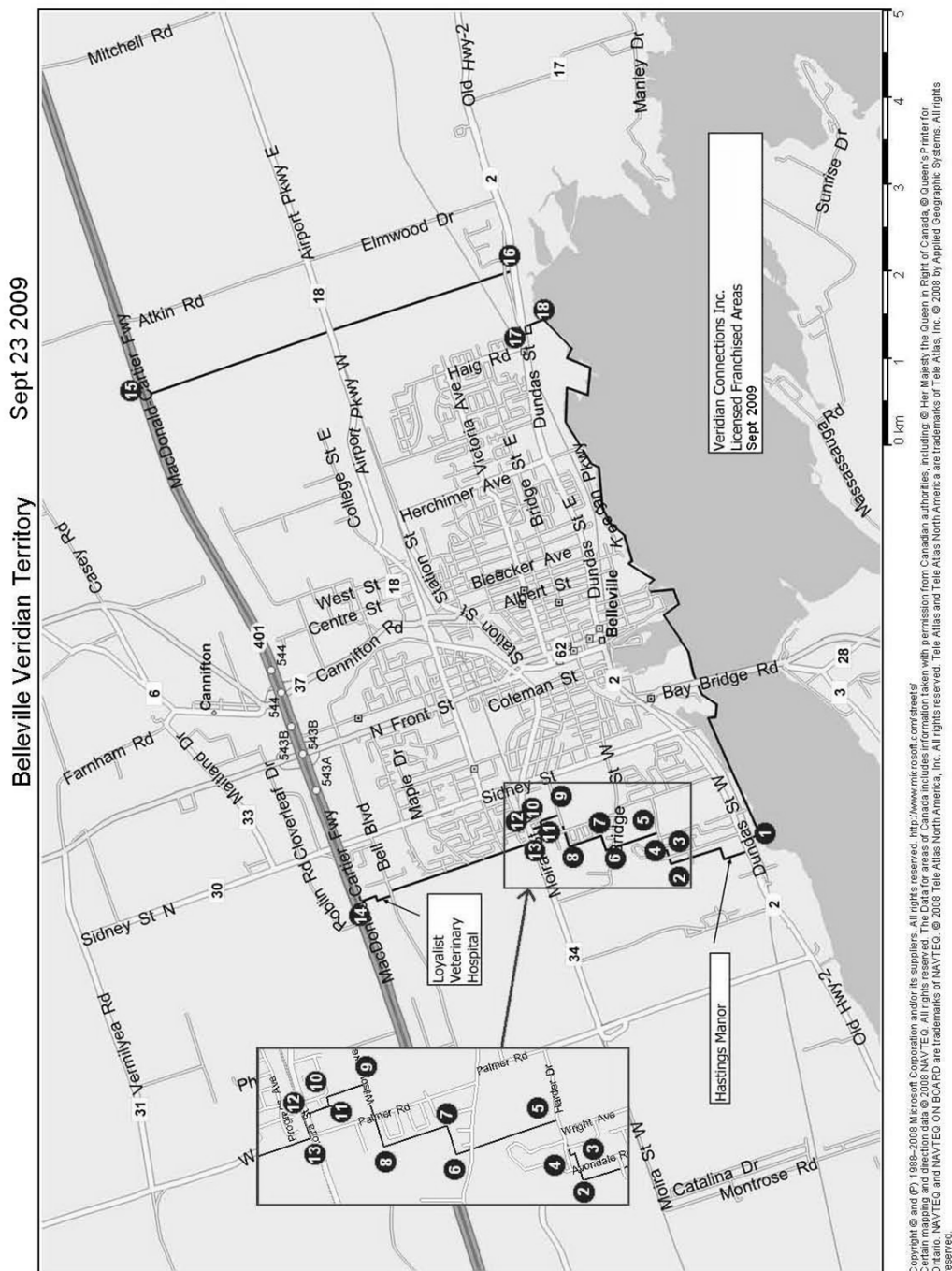
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Ajax Pickering Veridian Service Area 2008326



Schedule 1 Definition of Distribution Service Area of Veridian Connections Inc.

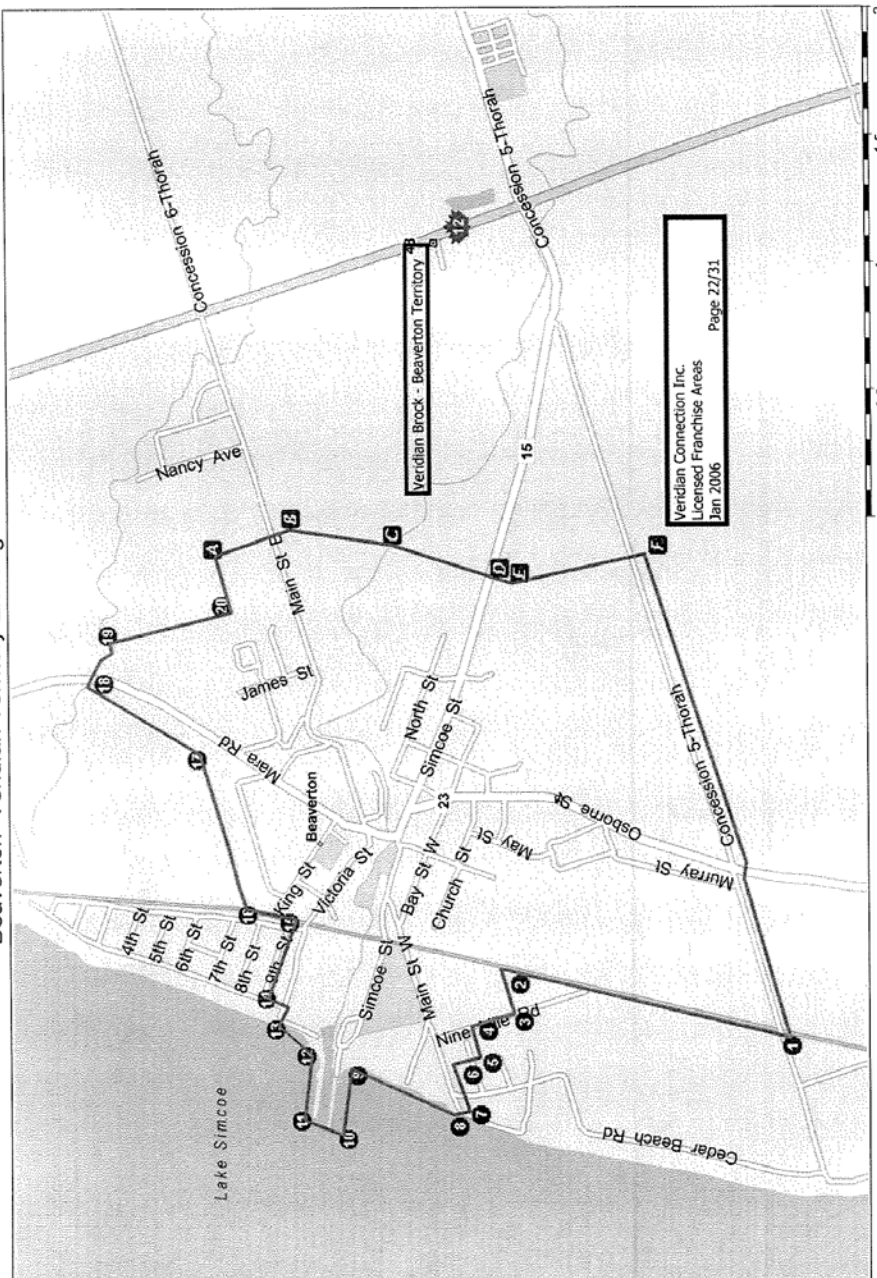
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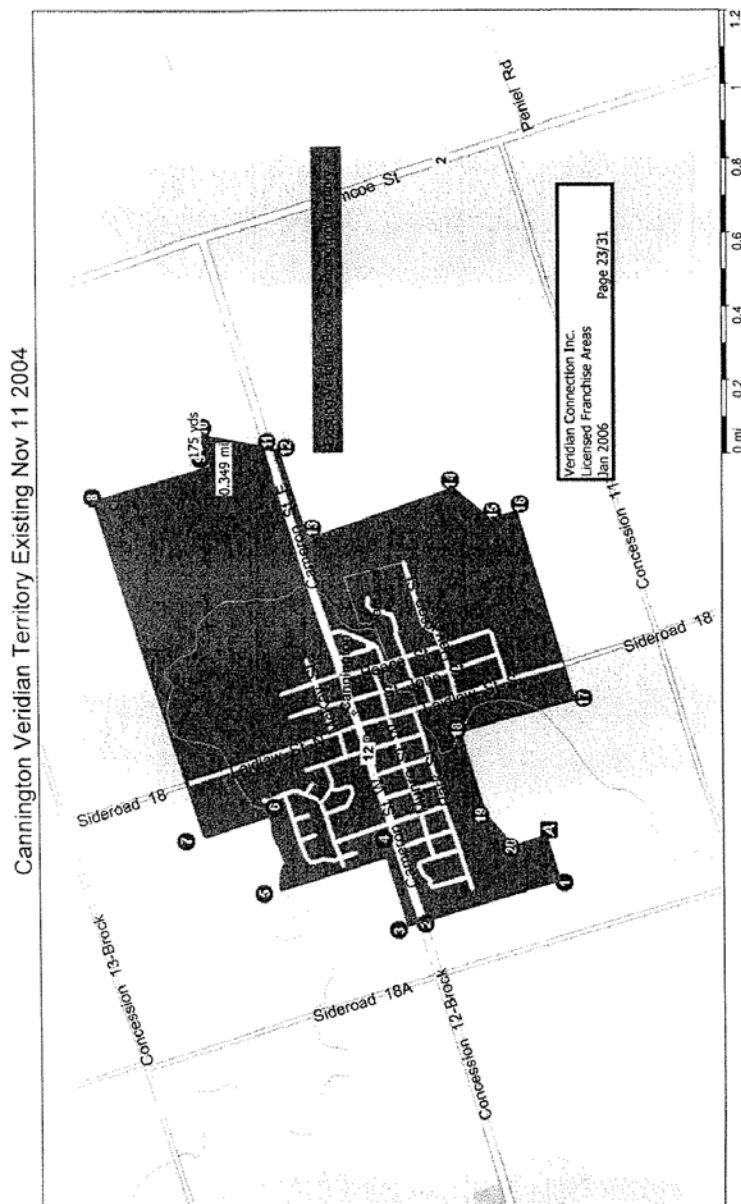
Beaverton Veridian Territory Existing Nov 11 2004 R1



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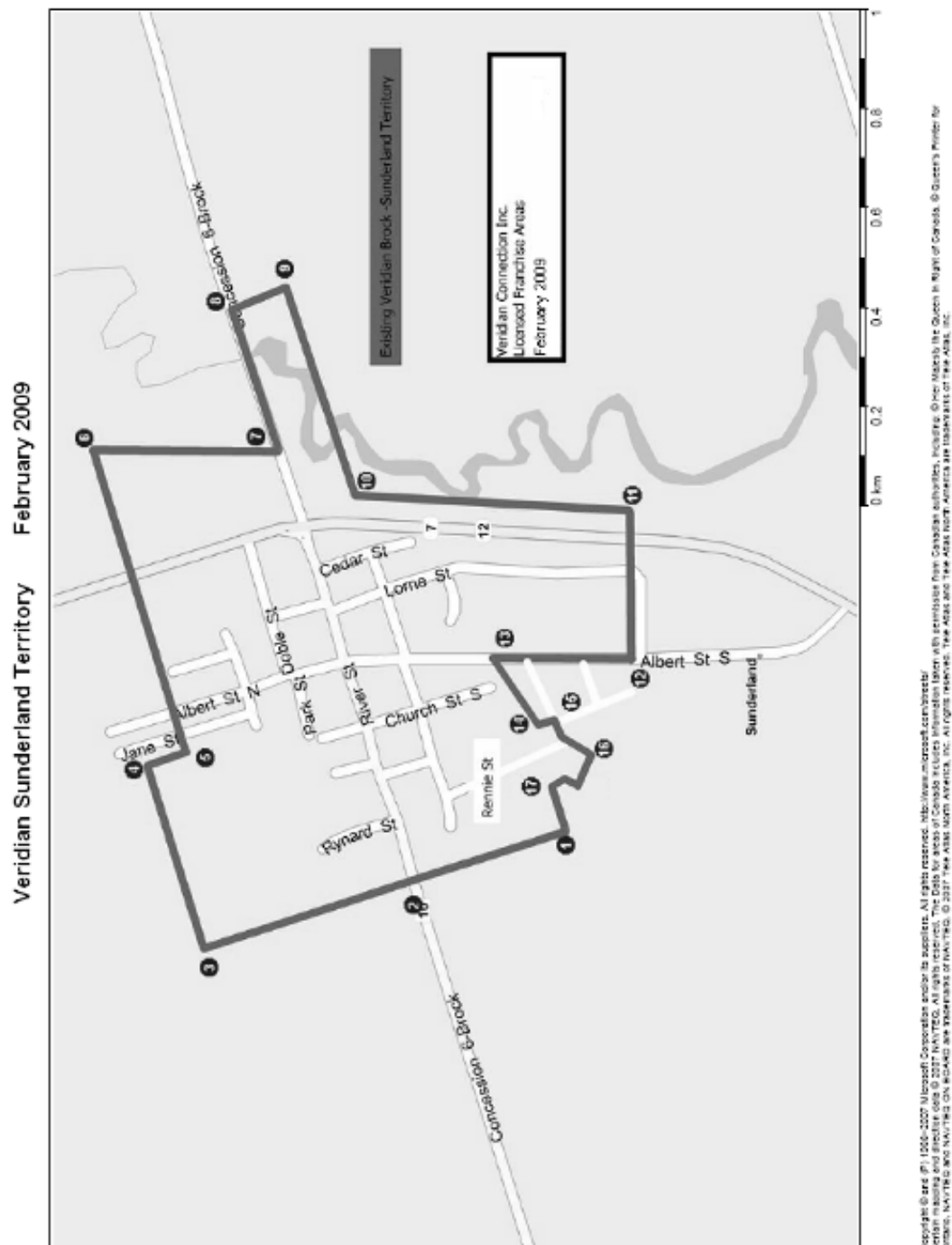
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Veridian Connections Inc.**

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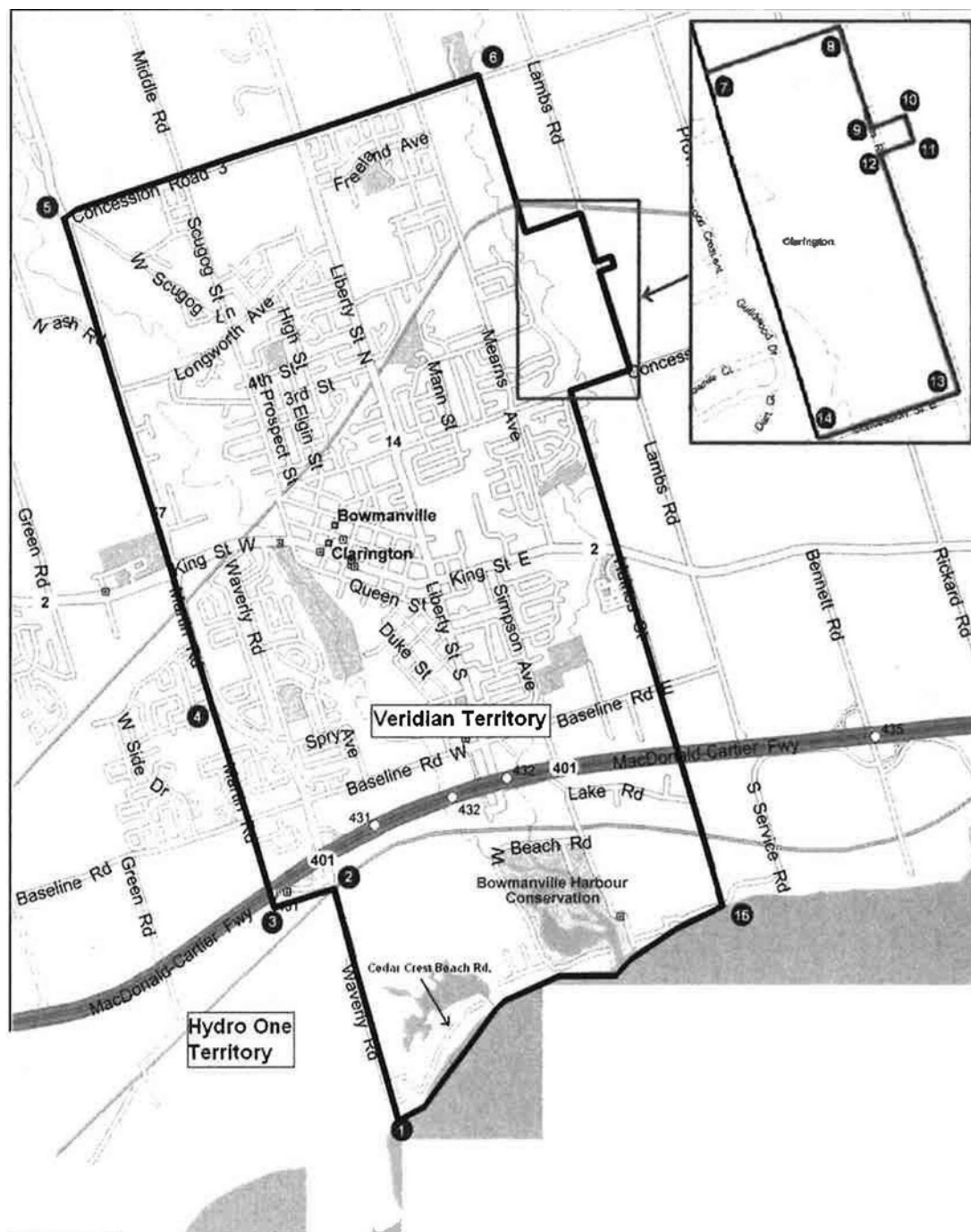
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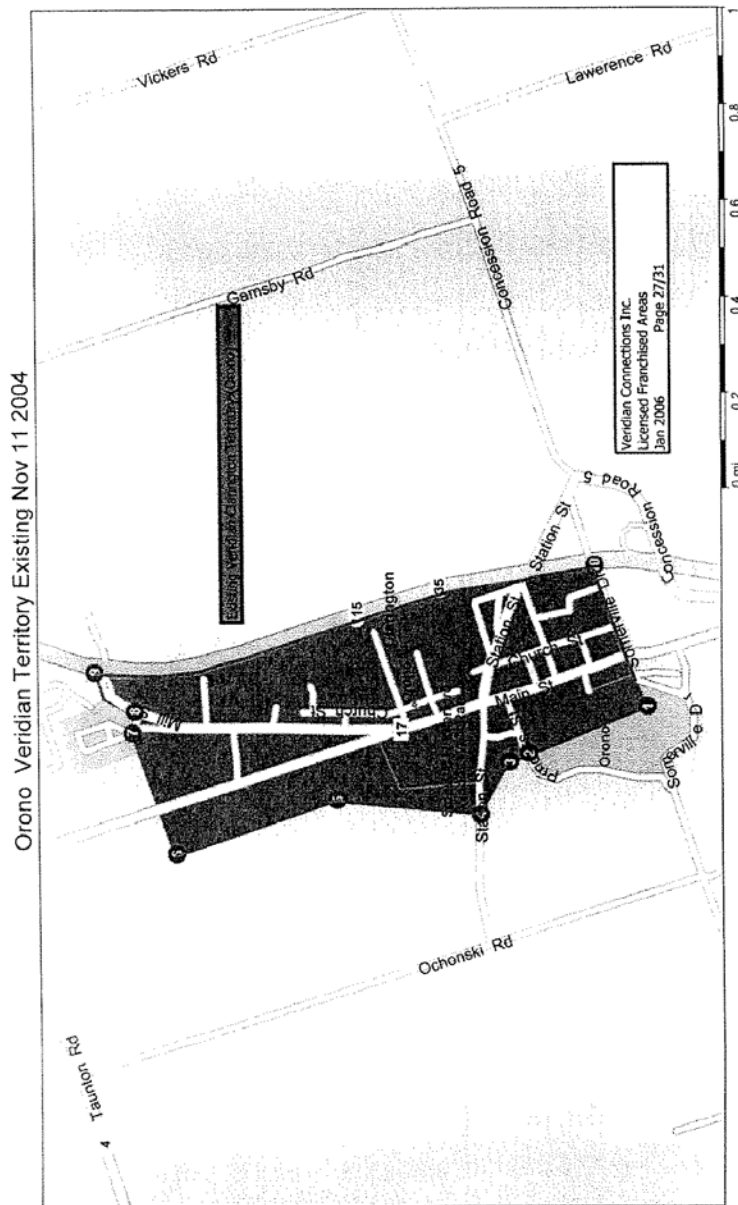
**Schedule 1 Definition of Distribution Service Area of
Veridian Connections Inc.**

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Clarington – Bowmanville Veridian Territory

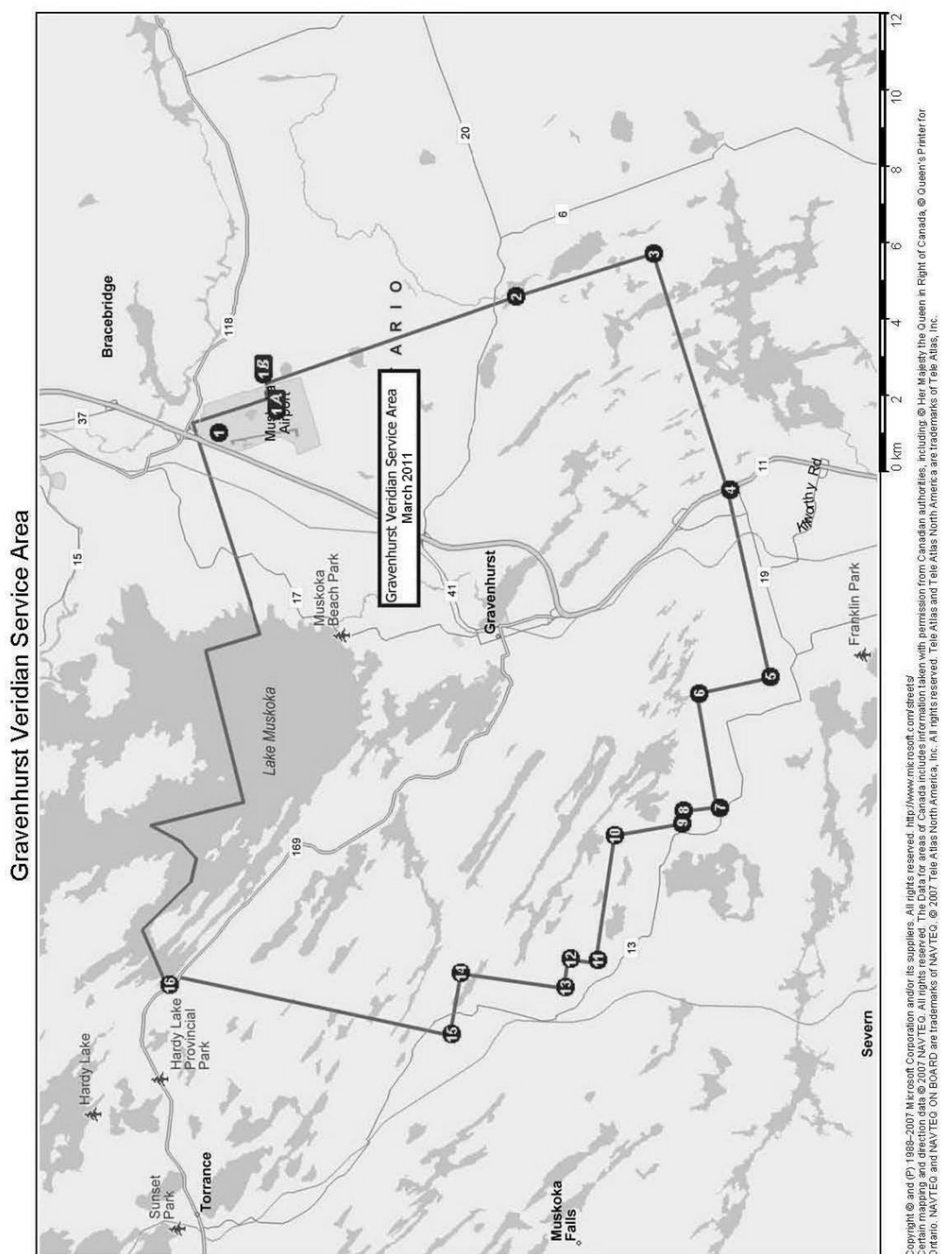
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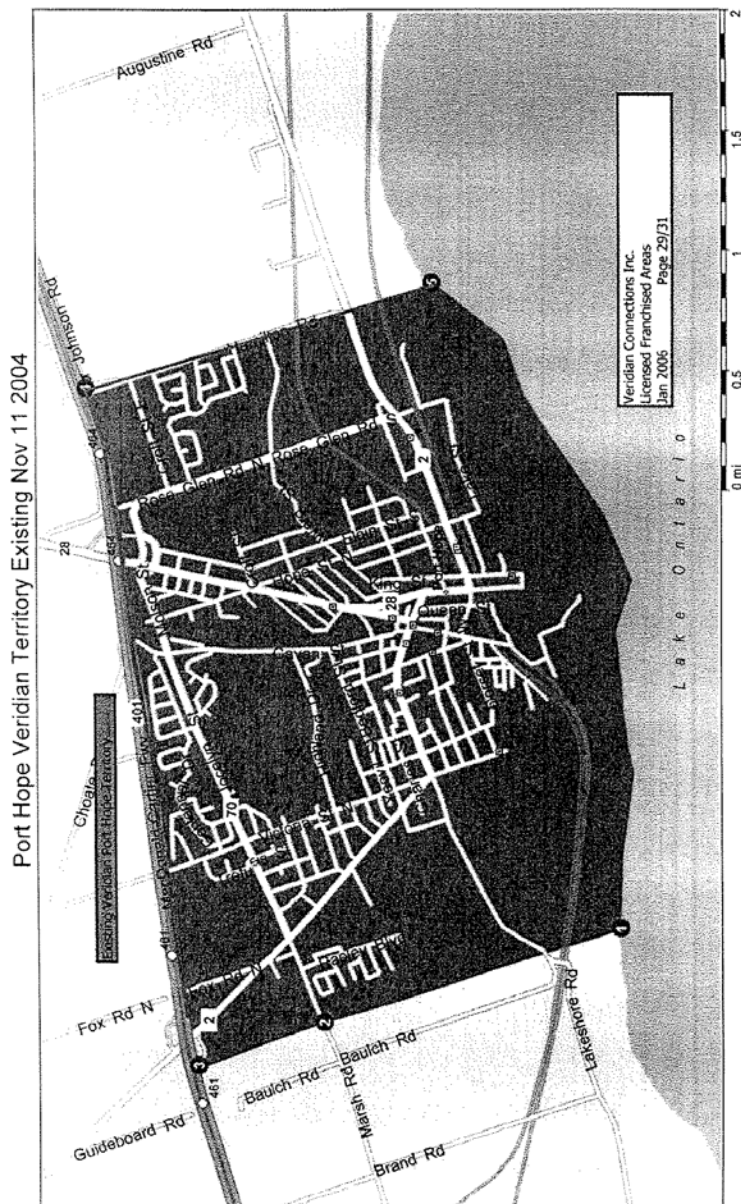
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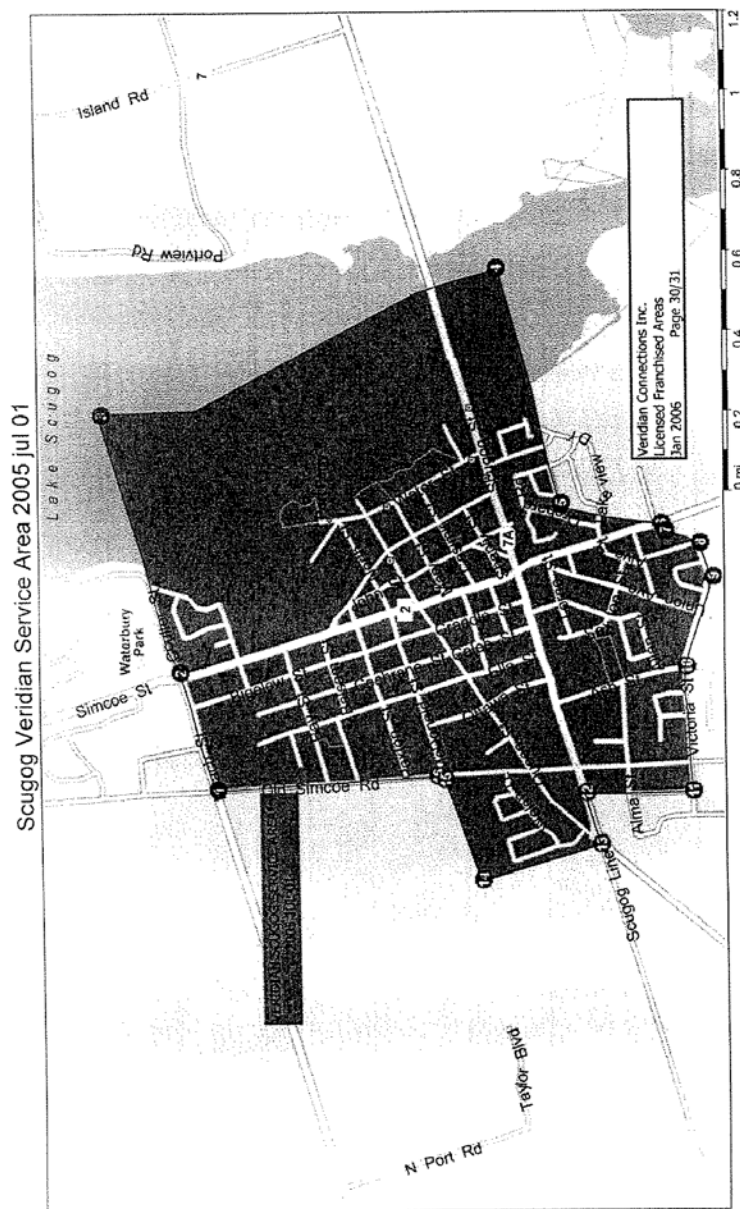
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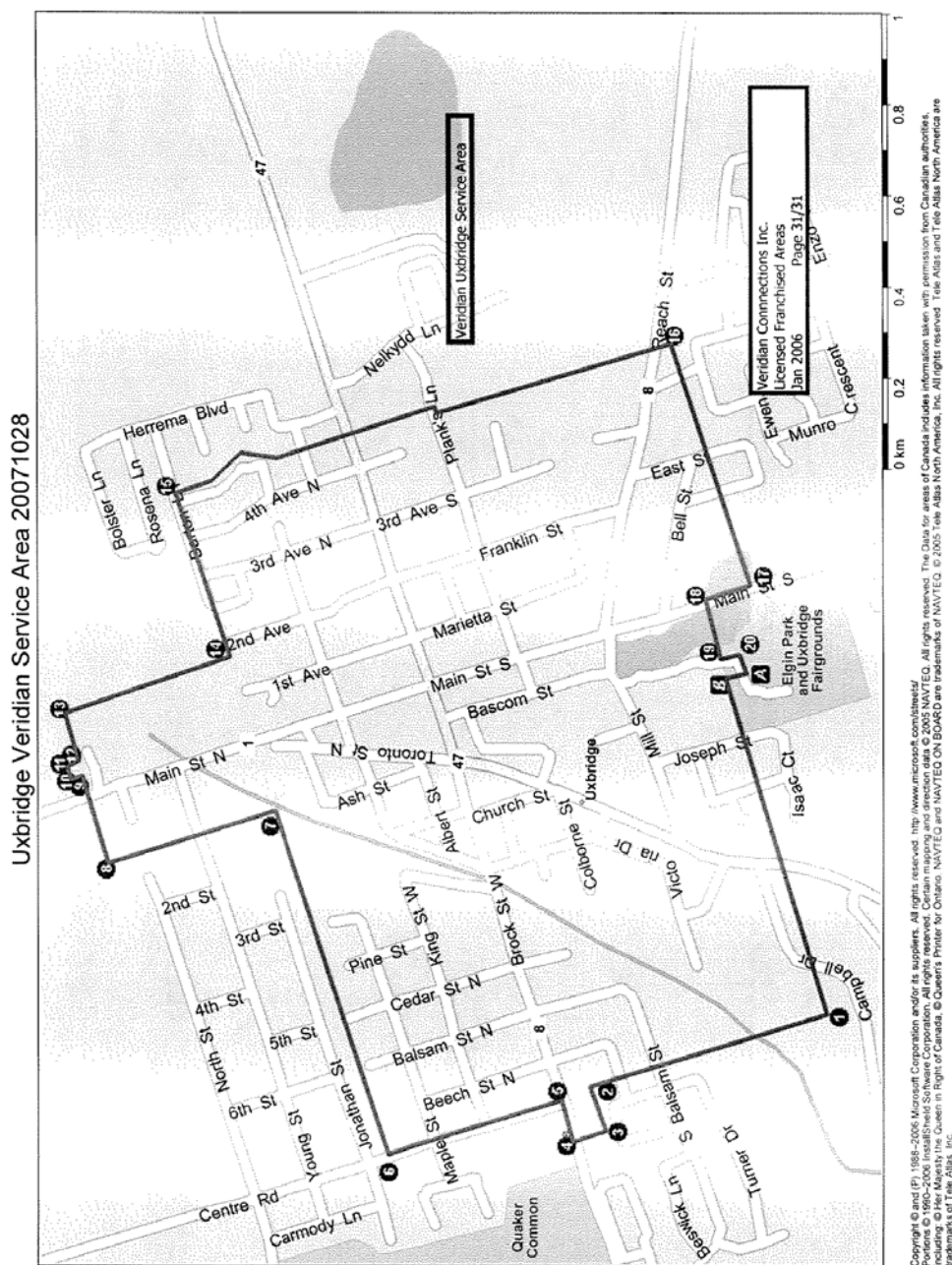
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Electricity Distribution Licence

ED-2002-0503

Veridian Connections Inc.

Valid Until

November 17, 2023

Original signed by

Peter Fraser

Vice President, Industry Operations and Performance

Ontario Energy Board

Date of Issuance: November 18, 2003

Date of Last Amendment: June 11, 2015

Ontario Energy Board
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LIST OF AMENDMENTS

Board File No.	Date of Amendment
EB-2003-0031	December 15, 2004
EB-2005-0480	October 18, 2005
EB-2006-0023	June 9, 2006
EB-2007-0060	November 15, 2007
EB-2007-0967	April 10, 2008
EB-2008-0383	March 11, 2009
EB-2009-0351	October 29, 2009
EB-2010-0216	November 12, 2010
EB-2011-0007	March 29, 2011
EB-2011-0132	August 24, 2011
EB-2014-0324	December 18, 2014
EB-2015-0130	June 11, 2015

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1 Definitions

In this Licence:

“Accounting Procedures Handbook” means the handbook, approved by the Board which specifies the accounting records, accounting principles and accounting separation standards to be followed by the Licensee;

“Act” means the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

“Affiliate Relationships Code for Electricity Distributors and Transmitters” means the code, approved by the Board which, among other things, establishes the standards and conditions for the interaction between electricity distributors or transmitters and their respective affiliated companies;

“Conservation and Demand Management” and **“CDM”** means distribution activities and programs to reduce electricity consumption and peak provincial electricity demand;

“Conservation and Demand Management Code for Electricity Distributors” means the code approved by the Board which, among other things, establishes the rules and obligations surrounding Board approved programs to help distributors meet their CDM Targets;

“distribution services” means services related to the distribution of electricity and the services the Board has required distributors to carry out, including the sales of electricity to consumers under section 29 of the Act, for which a charge or rate has been established in the Rate Order;

“Distribution System Code” means the code approved by the Board which, among other things, establishes the obligations of the distributor with respect to the services and terms of service to be offered to customers and retailers and provides minimum, technical operating standards of distribution systems;

“Electricity Act” means the *Electricity Act, 1998*, S.O. 1998, c. 15, Schedule A;

“IESO” means the Independent Electricity System Operator;

“Licensee” means Veridian Connections Inc.;

“Market Rules” means the rules made under section 32 of the Electricity Act;

“Net Annual Peak Demand Energy Savings Target” means the reduction in a distributor’s peak electricity demand persisting at the end of the four-year period (i.e. December 31, 2014) that coincides with the provincial peak electricity demand that is associated with the implementation of CDM Programs;

“Net Cumulative Energy Savings Target” means the total amount of reduction in electricity consumption associated with the implementation of CDM Programs between 2011-2014;

“OPA” means the Ontario Power Authority;

“Performance Standards” means the performance targets for the distribution and connection activities of the Licensee as established by the Board in accordance with section 83 of the Act;

“Provincial Brand” means any mark or logo that the Province has used or is using, created or to be created by or on behalf of the Province, and which will be identified to the Board by the Ministry as a provincial mark or logo for its conservation programs;

“Rate Order” means an Order or Orders of the Board establishing rates the Licensee is permitted to charge;

“regulation” means a regulation made under the Act or the Electricity Act;

“Retail Settlement Code” means the code approved by the Board which, among other things, establishes a distributor’s obligations and responsibilities associated with financial settlement among retailers and consumers and provides for tracking and facilitating consumer transfers among competitive retailers;

“service area” with respect to a distributor, means the area in which the distributor is authorized by its licence to distribute electricity;

“Standard Supply Service Code” means the code approved by the Board which, among other things, establishes the minimum conditions that a distributor must meet in carrying out its obligations to sell electricity under section 29 of the Electricity Act;

“wholesaler” means a person that purchases electricity or ancillary services in the IESO administered markets or directly from a generator or, a person who sells electricity or ancillary services through the IESO-administered markets or directly to another person other than a consumer.

2 Interpretation

- 2.1 In this Licence, words and phrases shall have the meaning ascribed to them in the Act or the Electricity Act. Words or phrases importing the singular shall include the plural and vice versa. Headings are for convenience only and shall not affect the interpretation of the Licence. Any reference to a document or a provision of a document includes an amendment or supplement to, or a replacement of, that document or that provision of that document. In the computation of time under this Licence, where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens and where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

3 Authorization

- 3.1 The Licensee is authorized, under Part V of the Act and subject to the terms and conditions set out in this Licence:
- a) to own and operate a distribution system in the service area described in Schedule 1 of this Licence;

- b) to retail electricity for the purposes of fulfilling its obligation under section 29 of the Electricity Act in the manner specified in Schedule 2 of this Licence; and
- c) to act as a wholesaler for the purposes of fulfilling its obligations under the Retail Settlement Code or under section 29 of the Electricity Act.

4 Obligation to Comply with Legislation, Regulations and Market Rules

- 4.1 The Licensee shall comply with all applicable provisions of the Act and the Electricity Act and regulations under these Acts, except where the Licensee has been exempted from such compliance by regulation.
- 4.2 The Licensee shall comply with all applicable Market Rules.

5 Obligation to Comply with Codes

- 5.1 The Licensee shall at all times comply with the following Codes (collectively the “Codes”) approved by the Board, except where the Licensee has been specifically exempted from such compliance by the Board. Any exemptions granted to the licensee are set out in Schedule 3 of this Licence. The following Codes apply to this Licence:
 - a) the Affiliate Relationships Code for Electricity Distributors and Transmitters;
 - b) the Distribution System Code;
 - c) the Retail Settlement Code; and
 - d) the Standard Supply Service Code.
- 5.2 The Licensee shall:
 - a) make a copy of the Codes available for inspection by members of the public at its head office and regional offices during normal business hours; and
 - b) provide a copy of the Codes to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

6 Obligation to Provide Non-discriminatory Access

- 6.1 The Licensee shall, upon the request of a consumer, generator or retailer, provide such consumer, generator or retailer with access to the Licensee’s distribution system and shall convey electricity on behalf of such consumer, generator or retailer in accordance with the terms of this Licence.

7 Obligation to Connect

- 7.1 The Licensee shall connect a building to its distribution system if:
 - a) the building lies along any of the lines of the distributor’s distribution system; and

- b) the owner, occupant or other person in charge of the building requests the connection in writing.

7.2 The Licensee shall make an offer to connect a building to its distribution system if:

- a) the building is within the Licensee's service area as described in Schedule 1; and
- b) the owner, occupant or other person in charge of the building requests the connection in writing.

7.3 The terms of such connection or offer to connect shall be fair and reasonable and made in accordance with the Distribution System Code, and the Licensee's Rate Order as approved by the Board.

7.4 The Licensee shall not refuse to connect or refuse to make an offer to connect unless it is permitted to do so by the Act or a regulation or any Codes to which the Licensee is obligated to comply with as a condition of this Licence.

8 Obligation to Sell Electricity

8.1 The Licensee shall fulfill its obligation under section 29 of the Electricity Act to sell electricity in accordance with the requirements established in the Standard Supply Service Code, the Retail Settlement Code and the Licensee's Rate Order as approved by the Board.

9 Obligation to Maintain System Integrity

9.1 The Licensee shall maintain its distribution system in accordance with the standards established in the Distribution System Code and Market Rules, and have regard to any other recognized industry operating or planning standards adopted by the Board.

10 Market Power Mitigation Rebates

10.1 The Licensee shall comply with the pass through of Ontario Power Generation rebate conditions set out in Appendix A of this Licence.

11 Distribution Rates

11.1 The Licensee shall not charge for connection to the distribution system, the distribution of electricity or the retailing of electricity to meet its obligation under section 29 of the Electricity Act except in accordance with a Rate Order of the Board.

12 Separation of Business Activities

12.1 The Licensee shall keep financial records associated with distributing electricity separate from its financial records associated with transmitting electricity or other activities in accordance with the Accounting Procedures Handbook and as otherwise required by the Board.

13 Expansion of Distribution System

- 13.1 The Licensee shall not construct, expand or reinforce an electricity distribution system or make an interconnection except in accordance with the Act and Regulations, the Distribution System Code and applicable provisions of the Market Rules.
- 13.2 In order to ensure and maintain system integrity or reliable and adequate capacity and supply of electricity, the Board may order the Licensee to expand or reinforce its distribution system in accordance with Market Rules and the Distribution System Code, or in such a manner as the Board may determine.

14 Provision of Information to the Board

- 14.1 The Licensee shall maintain records of and provide, in the manner and form determined by the Board, such information as the Board may require from time to time.
- 14.2 Without limiting the generality of paragraph 14.1, the Licensee shall notify the Board of any material change in circumstances that adversely affects or is likely to adversely affect the business, operations or assets of the Licensee as soon as practicable, but in any event no more than twenty (20) days past the date upon which such change occurs.
- 14.3 The Licensee shall:
- a) immediately notify the Board in writing of the notice; and
 - b) provide a plan to the Board as soon as possible, but no later than ten (10) days after the receipt of the notice, as to how the affected distribution services will be maintained in compliance with the terms of this licence.

15 Restrictions on Provision of Information

- 15.1 The Licensee shall not use information regarding a consumer, retailer, wholesaler or generator obtained for one purpose for any other purpose without the written consent of the consumer, retailer, wholesaler or generator.
- 15.2 The Licensee shall not disclose information regarding a consumer, retailer, wholesaler or generator to any other party without the written consent of the consumer, retailer, wholesaler or generator, except where such information is required to be disclosed:
- a) to comply with any legislative or regulatory requirements, including the conditions of this Licence;
 - b) for billing, settlement or market operations purposes;
 - c) for law enforcement purposes; or
 - d) to a debt collection agency for the processing of past due accounts of the consumer, retailer, wholesaler or generator.

- 15.3 The Licensee may disclose information regarding consumers, retailers, wholesalers or generators where the information has been sufficiently aggregated such that their particular information cannot reasonably be identified.
- 15.4 The Licensee shall inform consumers, retailers, wholesalers and generators of the conditions under which their information may be released to a third party without their consent.
- 15.5 If the Licensee discloses information under this section, the Licensee shall ensure that the information provided will not be used for any other purpose except the purpose for which it was disclosed.

16 Customer Complaint and Dispute Resolution

- 16.1 The Licensee shall:
- a) have a process for resolving disputes with customers that deals with disputes in a fair, reasonable and timely manner;
 - b) publish information which will make its customers aware of and help them to use its dispute resolution process;
 - c) make a copy of the dispute resolution process available for inspection by members of the public at each of the Licensee's premises during normal business hours;
 - d) give or send free of charge a copy of the process to any person who reasonably requests it; and
 - e) subscribe to and refer unresolved complaints to an independent third party complaints resolution service provider selected by the Board. This condition will become effective on a date to be determined by the Board. The Board will provide reasonable notice to the Licensee of the date this condition becomes effective.

17 Term of Licence

- 17.1 This Licence shall take effect on November 18, 2003 and expire on November 17, 2023. The term of this Licence may be extended by the Board.

18 Fees and Assessments

- 18.1 The Licensee shall pay all fees charged and amounts assessed by the Board.

19 Communication

- 19.1 The Licensee shall designate a person that will act as a primary contact with the Board on matters related to this Licence. The Licensee shall notify the Board promptly should the contact details change.
- 19.2 All official communication relating to this Licence shall be in writing.
- 19.3 All written communication is to be regarded as having been given by the sender and received by the addressee:

- a) when delivered in person to the addressee by hand, by registered mail or by courier;
- b) ten (10) business days after the date of posting if the communication is sent by regular mail; and
- c) when received by facsimile transmission by the addressee, according to the sender's transmission report.

20 Copies of the Licence

20.1 The Licensee shall:

- a) make a copy of this Licence available for inspection by members of the public at its head office and regional offices during normal business hours; and
- b) provide a copy of this Licence to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

21 Conservation and Demand Management

21.1 2011-2014 Conservation and Demand Management Framework

21.1.1 The Licensee shall achieve reductions in electricity consumption and reductions in peak provincial electricity demand through the delivery of CDM programs. The Licensee shall meet its 2014 Net Annual Peak Demand Savings Target of 29.050 MW, and its 2011-2014 Net Cumulative Energy Savings Target of 115.740 GWh (collectively the "CDM Targets"), over a four-year period beginning January 1, 2011.

21.1.2 The Licensee shall meet its CDM Targets through:

- a) the delivery of Board approved CDM Programs delivered in the Licensee's service area ("Board-Approved CDM Programs");
- b) the delivery of CDM Programs that are made available by the OPA to distributors in the Licensee's service area under contract with the OPA ("OPA-Contracted Province-Wide CDM Programs"); or
- c) a combination of a) and b).

21.1.3 The Licensee shall make its best efforts to deliver a mix of CDM Programs to all consumer types in the Licensee's service area.

21.1.4 The Licensee shall comply with the rules mandated by the Board's Conservation and Demand Management Code for Electricity Distributors.

21.1.5 The Licensee shall utilize the common Provincial brand, once available, with all Board-Approved CDM Programs, OPA-Contracted Province-Wide Programs, and in conjunction with or co-branded with the Licensee's own brand or marks.

21.2 2015-2020 Conservation and Demand Management Framework

- 21.2.1 The Licensee shall, between January 1, 2015 and December 31, 2020, make CDM programs, available to customers in its licensed service area and shall, as far as is appropriate and reasonable having regard to the composition of its customer base, do so in relation to each customer segment in its service area ("CDM Requirement").
- 21.2.2 The CDM programs referred to in item 21.2.1 above shall be designed to achieve reductions in electricity consumption.
- 21.2.3 The Licensee shall meet its CDM Requirement by:
- a) making Province-Wide Distributor CDM Programs, funded by the Ontario Power Authority (the "OPA"), available to customers in its licensed service area;
 - b) making Local Distributor CDM Programs, funded by the OPA, available to customers in its licensed service area; or
 - c) a combination of a) and b).
- 21.2.4 The Licensee shall, as far as possible having regard to any confidentiality or privacy constraints, make the details and results of Local Distributor CDM Programs available to other licensed electricity distributors upon request.
- 21.2.5 The Licensee shall, as far as possible having regard to any confidentiality or privacy constraints, make the details and results of Local Distributor CDM Programs available to any other person upon request.
- 21.2.6 The Licensee shall report to the OPA the results of the CDM programs in accordance with the requirements of the licensee's "CDM-related" contract with the OPA.

SCHEDULE 1 DEFINITION OF DISTRIBUTION SERVICE AREA

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with paragraph 8.1 of this Licence.

See Appendix B for Service Area listing.

SCHEDULE 2 PROVISION OF STANDARD SUPPLY SERVICE

This Schedule specifies the manner in which the Licensee is authorized to retail electricity for the purposes of fulfilling its obligation under section 29 of the Electricity Act.

The Licensee is authorized to retail electricity directly to consumers within its service area in accordance with paragraph 8.1 of this Licence, any applicable exemptions to this Licence, and at the rates set out in the Rate Orders.

SCHEDULE 3 LIST OF CODE EXEMPTIONS

This Schedule specifies any specific Code requirements from which the Licensee has been exempted.

1. The Licensee is exempt from the requirement to implement time-of-use pricing as of the mandatory date for RPP customers with eligible time-of-use meters as required under the Standard Supply Service Code for Electricity Distributors. The mandatory time-of-use pricing date exemption expires on December 31, 2011.
2. The Licensee is exempt from the requirement to implement time-of-use pricing as of the mandatory date for approximately 7,821 hard to reach RPP customers with eligible time-of-use meters as required under the Standard Supply Service Code for Electricity Distributors. The mandatory time-of-use pricing date exemption expires on December 31, 2011.

APPENDIX A

MARKET POWER MITIGATION REBATES

1. Definitions and Interpretations

In this Licence

“embedded distributor” means a distributor who is not a market participant and to whom a host distributor distributes electricity;

“embedded generator” means a generator who is not a market participant and whose generation facility is connected to a distribution system of a distributor, but does not include a generator who consumes more electricity than it generates;

“host distributor” means a distributor who is a market participant and who distributes electricity to another distributor who is not a market participant.

In this Licence, a reference to the payment of a rebate amount by the IESO includes interim payments made by the IESO.

2. Information Given to IESO

- a Prior to the payment of a rebate amount by the IESO to a distributor, the distributor shall provide the IESO, in the form specified by the IESO and before the expiry of the period specified by the IESO, with information in respect of the volumes of electricity withdrawn by the distributor from the IESO-controlled grid during the rebate period and distributed by the distributor in the distributor’s service area to:
 - i consumers served by a retailer where a service transaction request as defined in the Retail Settlement Code has been implemented; and
 - ii consumers other than consumers referred to in clause (i) who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998*.
- b Prior to the payment of a rebate amount by the IESO to a distributor which relates to electricity consumed in the service area of an embedded distributor, the embedded distributor shall provide the host distributor, in the form specified by the IESO and before the expiry of the period specified in the Retail Settlement Code, with the volumes of electricity distributed during the rebate period by the embedded distributor’s host distributor to the embedded distributor net of any electricity distributed to the embedded distributor which is attributable to embedded generation and distributed by the embedded distributor in the embedded distributor’s service area to:
 - i consumers served by a retailer where a service transaction request as defined in the Retail Settlement Code has been implemented; and
 - ii consumers other than consumers referred to in clause (i) who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998*.
- c Prior to the payment of a rebate amount by the IESO to a distributor which relates to electricity

consumed in the service area of an embedded distributor, the host distributor shall provide the IESO, in the form specified by the IESO and before the expiry of the period specified by the IESO, with the information provided to the host distributor by the embedded distributor in accordance with section 2.

The IESO may issue instructions or directions providing for any information to be given under this section. The IESO shall rely on the information provided to it by distributors and there shall be no opportunity to correct any such information or provide any additional information and all amounts paid shall be final and binding and not subject to any adjustment.

For the purposes of attributing electricity distributed to an embedded distributor to embedded generation, the volume of electricity distributed by a host distributor to an embedded distributor shall be deemed to consist of electricity withdrawn from the IESO-controlled grid or supplied to the host distributor by an embedded generator in the same proportion as the total volume of electricity withdrawn from the IESO-controlled grid by the distributor in the rebate period bears to the total volume of electricity supplied to the distributor by embedded generators during the rebate period.

3. Pass Through of Rebate

A distributor shall promptly pass through, with the next regular bill or settlement statement after the rebate amount is received, any rebate received from the IESO, together with interest at the Prime Rate, calculated and accrued daily, on such amount from the date of receipt, to:

- a retailers who serve one or more consumers in the distributor's service area where a service transaction request as defined in the Retail Settlement Code has been implemented;
- b consumers who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998* and who are not served by a retailer where a service transaction request as defined in the Retail Settlement Code has been implemented; and
- c embedded distributors to whom the distributor distributes electricity.

The amounts paid out to the recipients listed above shall be based on energy consumed and calculated in accordance with the rules set out in the Retail Settlement Code. These payments may be made by way of set off at the option of the distributor.

If requested in writing by OPGI, the distributor shall ensure that all rebates are identified as coming from OPGI in the following form on or with each applicable bill or settlement statement:

“ONTARIO POWER GENERATION INC. rebate”

Any rebate amount which cannot be distributed as provided above or which is returned by a retailer to the distributor in accordance with its licence shall be promptly returned to the host distributor or IESO as applicable, together with interest at the Prime Rate, calculated and accrued daily, on such amount from the date of receipt.

Nothing shall preclude an agreement whereby a consumer assigns the benefit of a rebate payment to a retailer or another party.

Pending pass-through or return to the IESO of any rebate received, the distributor shall hold the funds received in trust for the beneficiaries thereof in a segregated account.

ONTARIO POWER GENERATION INC. REBATES

For the payments that relate to the period from May 1, 2006 to April 30, 2009, the rules set out below shall apply.

1. Definitions and Interpretations

In this Licence

“embedded distributor” means a distributor who is not a market participant and to whom a host distributor distributes electricity;

“embedded generator” means a generator who is not a market participant and whose generation facility is connected to a distribution system of a distributor, but does not include a generator who consumes more electricity than it generates;

“host distributor” means a distributor who is a market participant and who distributes electricity to another distributor who is not a market participant.

In this Licence, a reference to the payment of a rebate amount by the IESO includes interim payments made by the IESO.

2. Information Given to IESO

- a Prior to the payment of a rebate amount by the IESO to a distributor, the distributor shall provide the IESO, in the form specified by the IESO and before the expiry of the period specified by the IESO, with information in respect of the volumes of electricity withdrawn by the distributor from the IESO-controlled grid during the rebate period and distributed by the distributor in the distributor's service area to:
 - i consumers served by a retailer where a service transaction request as defined in the Retail Settlement Code has been implemented and the consumer is not receiving the prices established under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998*; and
 - ii consumers other than consumers referred to in clause (i) who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998*.
- b Prior to the payment of a rebate amount by the IESO to a distributor which relates to electricity consumed in the service area of an embedded distributor, the embedded distributor shall provide the host distributor, in the form specified by the IESO and before the expiry of the period specified in the Retail Settlement Code, with the volumes of electricity distributed during the rebate period by the embedded distributor's host distributor to the embedded distributor net of any electricity distributed to the embedded distributor which is attributable to embedded generation and distributed by the embedded distributor in the embedded distributor's service area to:

- i consumers served by a retailer where a service transaction request as defined in the Retail Settlement Code has been implemented; and
 - ii consumers other than consumers referred to in clause (i) who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998*.
- c Prior to the payment of a rebate amount by the IESO to a distributor which relates to electricity consumed in the service area of an embedded distributor, the host distributor shall provide the IESO, in the form specified by the IESO and before the expiry of the period specified by the IESO, with the information provided to the host distributor by the embedded distributor in accordance with section 2.

The IESO may issue instructions or directions providing for any information to be given under this section. The IESO shall rely on the information provided to it by distributors and there shall be no opportunity to correct any such information or provide any additional information and all amounts paid shall be final and binding and not subject to any adjustment.

For the purposes of attributing electricity distributed to an embedded distributor to embedded generation, the volume of electricity distributed by a host distributor to an embedded distributor shall be deemed to consist of electricity withdrawn from the IESO-controlled grid or supplied to the host distributor by an embedded generator in the same proportion as the total volume of electricity withdrawn from the IESO-controlled grid by the distributor in the rebate period bears to the total volume of electricity supplied to the distributor by embedded generators during the rebate period.

3. Pass Through of Rebate

A distributor shall promptly pass through, with the next regular bill or settlement statement after the rebate amount is received, any rebate received from the IESO, together with interest at the Prime Rate, calculated and accrued daily, on such amount from the date of receipt, to:

- a retailers who serve one or more consumers in the distributor's service area where a service transaction request as defined in the Retail Settlement Code has been implemented and the consumer is not receiving the prices established under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998*;
- b consumers who are not receiving the fixed price under sections 79.4, 79.5 and 79.16 of the *Ontario Energy Board Act, 1998* and who are not served by a retailer where a service transaction request as defined in the Retail Settlement Code has been implemented; and
- c embedded distributors to whom the distributor distributes electricity.

The amounts paid out to the recipients listed above shall be based on energy consumed and calculated in accordance with the rules set out in the Retail Settlement Code. These payments may be made by way of set off at the option of the distributor.

If requested in writing by OPGI, the distributor shall ensure that all rebates are identified as coming from OPGI in the following form on or with each applicable bill or settlement statement:

“ONTARIO POWER GENERATION INC. rebate”

Any rebate amount which cannot be distributed as provided above or which is returned by a retailer to the distributor in accordance with its licence shall be promptly returned to the host distributor or IESO as applicable, together with interest at the Prime Rate, calculated and accrued daily, on such amount from the date of receipt.

Nothing shall preclude an agreement whereby a consumer assigns the benefit of a rebate payment to a retailer or another party.

Pending pass-through or return to the IESO of any rebate received, the distributor shall hold the funds received in trust for the beneficiaries thereof in a segregated account.