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**Delivered by RESS and Courier**

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street  
26th Floor, Box 2319  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Enersource Hydro Mississauga Inc., Horizon Utilities Corporation, PowerStream Inc. (collectively, the “Applicants”) – Application under Section 86 of the *Ontario Energy Board Act, 1998***  
**Board File No. EB-2016-0025**

We, together with Aird & Berlis LLP, are counsel to the Applicants in the above-captioned matter. On Friday September 16, 2016, the Applicants amended the current Application by adding an LDC Co Distributor Licence Application. On Wednesday, September 21, 2016, the Applicants filed a draft form of consolidated Distributor Licence for LDC Co, for the Board’s consideration. Our cover letter of September 21<sup>st</sup> explained the key features of the draft Licence, including the new proposed Code exemptions related to the implementation of monthly billing for Residential and GS < 50 customers in the Enersource and Horizon Utilities Rate Zones. Those proposed new Code exemptions were highlighted in turquoise in Schedule 3 to the draft Licence (List of Code Exemptions).

In preparing the draft Licence, the Applicants incorporated the Code Exemptions found in the consolidating distributors’ current Licences, and the RRR exemption found in the current PowerStream Licence, into Draft Schedules 3 (List of Code Exemptions) and 4 (RRR Exemptions). In an effort to further assist the OEB, the Applicants have reviewed the Code exemptions set out in the four consolidating distributors’ current Licences that were incorporated into the consolidated draft, and the PowerStream RRR exemption, for the purpose of determining whether any of those exemptions could be removed from a new Licence on the basis that they were no longer needed and/or because they had expired.

- **Deletions from Proposed Schedule 3 (List of Code Exemptions)**

As a result of their review, the Applicants and Hydro One Brampton Networks Inc. have determined that none of the current Code exemptions are needed in Schedule 3 of the proposed new Licence. Those exemptions, and the reasons for their removal, are as follows:

- The Hydro One Brampton, Enersource and PowerStream Licences contain the following exemption:

“1. The Licensee is exempt from the requirements of section 2.5.3 of the Standard Supply Service Code [the “SSS Code”] with respect to the price for small volume/residential consumers, subject to the Licensee offering an equal billing plan as described in its application for exemption from Fixed Reference Price, and meeting all other undertakings and material representations contained in the application and the materials filed in connection with it.”

Section 2.5.3 was removed from the SSS Code, and is no longer applicable. As a result, that exemption is no longer needed.

- The Hydro One Brampton Licence contains the following exemption:

2. The Licensee is exempt from the requirements of section 6.5.4 of the Distribution System Code [the “DSC”] until June 30, 2009 in relation to 15 load transfer customers located within the City of Brampton with the following municipal addresses:

- (a) 2868 Bovaird Drive;
- (b) 10221, 10231 & 10245 Old Pine Crest; and
- (c) 10253, 10315, 10333, 10431, 10451, 10475, 10605, 10625, 10827, 11507 and 11511 Winston Churchill Blvd.

That exemption expired on June 30, 2009. It applied to a version of section 6.5.4 of the DSC that would have required the elimination of long term load transfers by October of 2008. The OEB’s requirements (including the deadlines) related to the elimination of long term load transfers have changed over time, and the deadline for the elimination of those load transfers was extended a number of times. The DSC currently provides (at section 6.5.3) that “All load transfer arrangements shall be eliminated by transferring the load transfer customers to the physical distributor by June 21, 2017.” The Applicants do not require an exemption from this requirement at this time, and the current exemption may be removed.

- The Enersource Licence contains the following exemption:

2. The Licensee is exempt from the requirement to implement time-of-use pricing as of the mandatory date for its 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 May 31, 2012.

Enersource has implemented time-of-use pricing as of the mandatory date for its RPP customers with eligible time-of-use meters. This exemption has expired and is no longer applicable.

With these historical Code exemptions eliminated, the Applicants are proposing that only the new Code exemptions related to the timing of implementation of monthly billing for the Residential and GS < 50kW classes in the Enersource and Horizon Utilities Rate Zones would be included in the new Schedule 3 to the LDC Co Licence.

- **Deletions from Proposed Schedule 4 (List of RRR Exemptions)**

The PowerStream Licence contains the following exemption (in the draft LDC Co Licence filed on September 21<sup>st</sup>, the Applicants inadvertently omitted the reference to the PowerStream Rate Zone):

The Licensee is exempt from the following sections of the Electricity Reporting and Record Keeping Requirements:

1. Section 2.1.8, sub-sections, b) ii; c) i, ii, iii, iv, vi, viii, ix, x; d) i, ii, iv; e) ii, iv; f) iii, iv and g). This exemption will expire on June 30, 2014.

That exemption has expired, and is no longer needed in respect of the PowerStream Rate Zone in any event. It should not be included in a new Licence.

- **Revised Draft LDC Co Distribution Licence**

Please find accompanying this letter a revised draft LDC Co Distributor Licence. Code and RRR exemptions that the Applicants have determined are no longer needed have been struck through. Because the only RRR exemption (Schedule 4) will be eliminated, Schedule 5 (Supplementary Conditions) has been renumbered as Schedule 4. For the Board's reference, we have also enclosed copies of the current Licences of the four consolidating utilities: Enersource Hydro Mississauga Inc. (ED-2003-0017); Horizon Utilities Corporation (ED-2006-0031); Hydro One Brampton Networks Inc. (ED-2003-0038); and PowerStream Inc. (ED-2004-0420).

- **Potential deletions of generic provisions in draft LDC Co Distribution Licence**

As we advised in our letter of September 21<sup>st</sup>, the current Licences of the four consolidating utilities were most recently amended as of January 28, 2016. Our understanding is that those Licences are in the Board's standard form of Distributor Licence, and that with the exception of distributor-specific schedules such as Schedule 3 and Schedule 4, the text of the Licence is common to most if not all licensed electricity distributors in Ontario. There are other provisions in the standard form of Licence that may be outdated, such as certain provisions in Appendix A related to Market Power Mitigation Rebates. However, the Applicants have only proposed to eliminate certain exemptions specific to the four consolidating distributors. They do not propose to remove generic provisions of the Licence, as they believe that it would be more appropriate for the Board to deal with those matters on a generic basis.

We trust that this will be of further assistance to the OEB, and we thank you for your consideration in this matter.

Yours very truly,

**BORDEN LADNER GERVAIS LLP**

Per:

*Original Signed by James C. Sidlofsky*

James C. Sidlofsky

Encls.

cc: G. DeJulio, Enersource  
I. Butany-DeSouza, Horizon Utilities  
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Intervenors of Record