



September 23, 2016

Ontario Energy Board  
2300 Yonge St. 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

**Attention: Kirsten Walli**  
**Board Secretary**

Dear Kirsten,

**RE: Covering Letter re: Affidavit for Notice of Application and Hearing for an Electricity Distribution Rate Change (EB 2016-0070) for Festival Hydro Inc. ED 2002-0513**

Enclosed please find a copy of the affidavit required per the Letter of Direction to Festival Hydro from the Ontario Energy Board dated September 20, 2016. A copy of this document has been filed today via RESS.

Please contact me at 519-271-4703 ext. 221 if you have any questions regarding the information attached.

**FESTIVAL HYDRO INC.**

A handwritten signature in blue ink that reads 'Kelly McCann'.

Kelly McCann, CPA, CA  
Accounting Manager

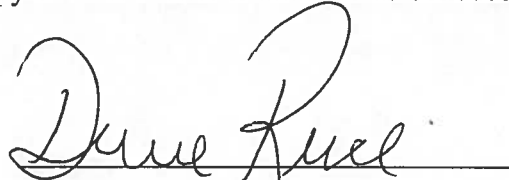
RE: **IN THE MATTER OF A NOTICE OF APPLICATION AND HEARING FOR AN ELECTRICITY DISTRIBUTION RATE CHANGE (EB-2016-0070)**

**AFFIDAVIT**

I, DEBBIE A. REECE, of the City of Stratford, in the County of Perth MAKE OATH AND SAY AS FOLLOWS THAT:

1. I am the Chief Financial Officer of Festival Hydro Inc., and as such have knowledge of the matters hereinafter deposed to.
2. I caused a copy of the Notice, a copy of which Notice is annexed hereto as Schedule A to this Affidavit, which has been published in the English language on Festival Hydro's website on Friday September 23, 2016.
3. I have served a copy of the Notice directly on all intervenors of record in Festival Hydro's previous cost of service rate application proceeding EB-2014-0073, namely; Association of Major Power Consumers in Ontario, Energy Probe Research Foundation, School Energy Coalition and Vulnerable Energy Consumers Coalition.
4. Festival Hydro is not a Host Distributor so there is no Embedded Distributor(s) to serve a copy of the Notice.
5. I have made a copy of the application and evidence available for public review at Festival Hydro's office at 187 Erie Street, Stratford and will provide a copy of the application and evidence, and any amendments thereto, to anyone requesting the material.
6. I have completed the requirements of the Letter of Direction dated September 20, 2016 from the Ontario Energy Board to me, a copy of which letter is attached as Schedule B to this my affidavit.

Sworn before me at the City )  
of Stratford, in the County of )  
Perth this 23<sup>rd</sup> day of )  
September, 2016. )

  
DEBBIE A. REECE

  
A Commissioner, etc.

## ONTARIO ENERGY BOARD NOTICE TO CUSTOMERS OF FESTIVAL HYDRO INC.

### Festival Hydro Inc. has applied to change its electricity distribution rates effective January 1, 2017.

#### Learn more. Have your say.

Festival Hydro Inc. applied to the Ontario Energy Board to change its distribution rates effective January 1, 2017. If the application is approved, a typical residential customer that that uses 750 kWh of electricity per month would see a decrease of approximately \$0.05 per month. Other customers, including businesses, may also be affected.

The requested rate change is set using an OEB-approved formula which is tied to inflation and other factors intended to promote efficiency.

In 2015 Festival Hydro Inc.'s earnings exceeded the Ontario Energy Board's targeted return on equity. The Ontario Energy Board will assess whether it should grant Festival Hydro Inc.'s request for an adjustment to its rates for 2017 by considering the reasons for their financial results. The OEB will also review Festival Hydro Inc.'s proposal to recover the final cost of a bypass agreement through a rate rider.

#### THE ONTARIO ENERGY BOARD IS HOLDING A PUBLIC HEARING

The Ontario Energy Board (OEB) will hold a public hearing to consider Festival Hydro's request. We will determine whether Festival Hydro has used the applicable models and formulas as required by the OEB and whether to approve Festival Hydro's request for a rate adjustment. We will also hear questions and arguments from individual customers and from groups that represent Festival Hydro's customers. At the end of this hearing, the OEB will decide what, if any, rate changes will be allowed.

The OEB is an independent and impartial public agency. We make decisions that serve the public interest. Our goal is to promote a financially viable and efficient energy sector that provides you with reliable energy services at a reasonable cost.

#### BE INFORMED AND HAVE YOUR SAY

You have the right to information regarding this application and to be involved in the process.

- You can review Festival Hydro's application on the OEB's website now.
- You can file a letter with your comments, which will be considered during the hearing.
- You can become an active participant (called an intervenor). Apply by **October 3, 2016** or the hearing will go ahead without you and you will not receive any further notice of the proceeding.
- At the end of the process, you can review the OEB's decision and its reasons on our website.

The OEB intends to consider cost awards in this proceeding that are in accordance with the *Practice Direction on Cost Awards* and only in relation to Festival Hydro's proposed rate change in the context of its earnings performance in 2015 and in relation to its permanent bypass agreement rate rider.

#### LEARN MORE

These proposed charges relate to Festival Hydro's distribution services. They make up part of the Delivery line - one of the five line items on your bill. Our file number for this case is **EB-2016-0070**. To learn more about this hearing, find instructions on how to file letters or become an intervenor, or to access any document related to this case, please enter the file number **EB-2016-0070** on the OEB website: [www.ontarioenergyboard.ca/participate](http://www.ontarioenergyboard.ca/participate). You can also phone our Consumer Relations Centre at 1-877-632-2727 with any questions.

#### ORAL VS. WRITTEN HEARING

There are two types of OEB hearings – oral and written. The OEB is considering holding a written hearing in this case. If you think an oral hearing is needed, you can write to the OEB to explain why by **October 3, 2016**.

#### PRIVACY

If you write a letter of comment, your name and the content of your letter or the documents you file with the OEB will be put on the public record and the OEB website. However, your personal telephone number, home address and email address will be removed. If you are a business, all your information will remain public. If you apply to become an intervenor, all information will be public.

This rate hearing will be held under section 78 of the Ontario Energy Board Act, 1998, S.O. 1998 c.15 (Schedule B).



Ontario Energy Board  
P.O. Box 2319  
27<sup>th</sup> Floor  
2300 Yonge Street  
Toronto ON M4P 1E4  
Telephone: 416-481-1967  
Facsimile: 416-440-7656  
Toll free: 1-888-632-6273

Commission de l'énergie  
de l'Ontario  
C.P. 2319  
27<sup>e</sup> étage  
2300, rue Yonge  
Toronto ON M4P 1E4  
Téléphone: 416-481-1967  
Télécopieur: 416-440-7656  
Numéro sans frais: 1-888-632-6273



BY E-MAIL

September 20, 2016

Kelly McCann  
Festival Hydro Inc.  
187 Erie Street  
Stratford ON N5A 6T5  
P.O. Box 397  
[kmccann@festivalhydro.com](mailto:kmccann@festivalhydro.com)

**LETTER OF DIRECTION**

Dear Ms. McCann:

**Re: Festival Hydro Inc. (Festival Hydro)  
Application for 2017 Distribution Rates  
Ontario Energy Board File Number: EB-2016-0070**

The Ontario Energy Board (OEB) has now re-issued its (revised) Notice of Hearing for Festival Hydro's 2017 incentive regulation mechanism application (Notice). Please note that you must serve the Notice to the parties identified below **within fourteen days** of the date of this letter. If service is not possible within fourteen days, you must inform the Board Secretary immediately. The requirements listed in the previous Letter of Direction, dated September 16, 2016, are superseded by this Letter of Direction.

You are directed:

1. To arrange immediately for the service of the enclosed Notice, in the exact form accompanying this letter, except:
  - a. For the Notice, under the sections entitled "**BE INFORMED AND HAVE YOUR SAY**" and "**ORAL VS. WRITTEN HEARINGS**" remove the bold and bracketed words "**[utility will insert actual date 10 calendar days from the date the notice is posted on the applicant's website]**"; and
  - b. Insert the date which shall be determined by adding 10 calendar days to the date that the Notice will be posted on Festival Hydro's website in

accordance with the requirements of paragraph 4 below. If that date falls on a "holiday" as defined in Rule 6.02 of the OEB's *Rules of Practice and Procedure*, insert the next date that is not a holiday. Use the following date format "**January 1, 2014**".

2. Once the the requirements of paragraph 1 are completed, to immediately and prior to completing any other steps required in this letter of direction, file with the OEB a pdf version of the complete (dated) Notice (Dated Notice).
3. No later than the date the Notice is posted on Festival Hydro's website in accordance with paragraph 4, to serve a copy of the Dated Notice, the application and the evidence, directly on all intervenors of record in Festival Hydro's previous cost of service proceeding EB-2014-0073, namely:

Association of Major Power Consumers in Ontario  
Energy Probe Research Foundation  
School Energy Coalition  
Vulnerable Energy Consumers Coalition

4. To make a copy of the Dated Notice, the application and the evidence, and any amendments thereto, available for public review at Festival Hydro's office and in a prominent place on Festival Hydro's website.
5. To file with the OEB an affidavit in both electronic and paper forms proving completion of the matters in paragraphs 1 through 4 above immediately thereafter.
6. To provide a copy of the Dated Notice, the application and the evidence, and any amendments thereto, to anyone requesting the material.

You are further directed not to include any documents or materials when serving the Dated Notice other than documents or materials expressly required by this letter of direction to be served.

Yours truly,

*Original Signed By*

Kristi Sebalj  
Registrar

Encl.