

Elimination of Long Term Load Transfers

Between

Niagara-on-the-Lake Hydro Inc.

And

Alectra Utilities Corporation

(formerly Horizon Utilities Corporation)

Combined Service Area Amendment and Asset Transfer Application

Date: February 15, 2017

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PART I: SERVICE AREA AMENDMENT

1.1 Basic Facts

Provide a brief description of the service area amendment
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This joint application (the “Application”) is structured to follow the filing guidelines for a Combined Service Area Amendment and Asset Transfer Application as specified by the Ontario Energy Board (“OEB” or the “Board”) in its *Notice of Amendments to the Code – Amendments to the Distribution System Code* (EB-2015-0006), dated December 21, 2015, related to the Elimination of Load Transfer Arrangements between local distribution companies (“LDCs”).

As a result of these amendments, Niagara-on-the-Lake Hydro Inc. (“Niagara-on-the-Lake Hydro”) and Alectra Utilities Corporation (“Alectra Utilities”) (formerly Horizon Utilities Corporation) are jointly applying to the OEB for approval to amend the service areas of both distributors, such that all existing load transfer arrangements between the two distributors are eliminated.

1.2 Identification of the Parties

1.2.1 Applicant

(Identify whether the applicant is a geographic and/or physical distributor)

Name of Applicant: Niagara-on-the-Lake Hydro Inc. (Geographical Distributor)	Licence Number: ED-2002-0547
Address: 8 Henegan Road, Virgil ON L0S 1T0	Telephone Number: 905-468-4235
	Facsimile Number: 905-468-3861
	E-mail Address: same as below
Contact Person: Tim Curtis President	Telephone Number: 905-468-4235
	Facsimile Number: 905-468-3861
	E-mail Address: tcurtis@notlhydro.com

1.2.2 Co-Applicant or Other Distributor to the Service Area Amendment Application

Name of Co-Applicant or Other Distributor: Alectra Utilities Corporation (formerly Horizon Utilities Corporation)	Licence Number: Horizon Utilities : ED-2006-0031
Address: 55 John Street North PO Box 2249, Station LCD 1 Hamilton, ON L8N 3E4	Telephone Number: 905-522-9200
	Facsimile Number: 905-522-6228
	E-mail Address: same as below
Contact Person: Indy J. Butany-DeSouza Vice President, Regulatory	Telephone Number: 905-317-4765
	Facsimile Number: 905-522-6570
	E-mail Address: indy.butany@alecrautilities.com

1.3 Description of Proposed Service Area

1.3.1	<p>Provide a detailed service area description of the area(s) that is subject to the Service Area Amendment (“SAA”) and how the amendments should be reflected in Schedule 1 of the licence(s) of the distributor(s).</p> <p>The service area subject to the SAA is “The East side of Read Road from Lake Ontario in the North to Seaway Haulage Road in the South and the East side of Seaway Haulage Road from Read Road in the North to 1269 Seaway Haulage Road in the South.” For Alectra Utilities, this will result in an addition to its current service area; for Niagara-on-the-Lake Hydro this will be a reduction in its current service area.</p> <p>The proposed changes to Schedule 1 of the Niagara-on-the-Lake Hydro Inc. Electricity Distribution License (ED-2002-0547) and the Alectra Utilities Corporation Electricity Distribution License (Alectra Utilities’ licence to be issued; formerly Horizon Utilities Corporation ED-2006-0031) are provided in Attachment 1.</p> <p>In April 2016, Horizon Utilities filed an application (the “MAADs Application”) along with Enersource Hydro Mississauga Inc. (“Enersource”), and PowerStream Inc. (“PowerStream”), (collectively, the Applicants) requesting approval to amalgamate to form Alectra Inc. (“Alectra”), (identified as “LDC Co” in the application), and for Alectra to purchase and amalgamate with Hydro One Brampton Networks Inc. (Hydro One Brampton) under section 86 of the <i>Ontario Energy Board Act, 1998</i> (the “Act”).</p> <p>As part of the MAADs Application, approvals were requested for: (a) transfer of the distribution licences and rate orders for each of the applicants and Hydro One Brampton to Alectra Utilities; and (b) an electricity distributor licence for Alectra Utilities.</p> <p>On December 8, 2016, the OEB issued its Decision and Order in respect of the MAADs Application. In the Decision, the OEB approved the [Alectra] LDC Co licence application and the transfer of the rate orders for each of the applicants and Hydro One Brampton to [Alectra] LDC Co. The OEB found that “a transfer of the distribution</p>
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	<p>licences of each of the amalgamating entities to [Alectra] LDC Co is no longer required. The licences of the amalgamating entities will be cancelled upon the effective date of [Alectra] LDC Co's licence".</p> <p>Amendments to the Horizon Utilities distribution licence should be carried forward to the Alectra Utilities licence, as necessary.</p>
1.3.2	<p>Provide maps or diagrams of the area(s) that is the subject of SAA application.</p> <p>The map of the areas impacted by the SAA application is provided in Attachment 2.</p>
1.3.3	<p>Provide a description of the type of physical connection(s); i.e., individual customer, residential subdivision, commercial or industrial customer.</p> <p>Forty-five (45) Niagara-on-the-Lake Hydro customers are proposed to be transferred to Alectra Utilities:</p> <ul style="list-style-type: none"> • 34 Residential Customers • 11 General Service < 50 kW Customers <p>Individual customer names, addresses and rate classes are provided in Attachment 3.</p>

1.4 Information on Affected Load Transfer Customers

1.4.1	<p>Provide the total number of Load Transfer Arrangements between distributors.</p> <p>This application addresses the elimination of an existing Long Term Load Transfer ("LTLT") encompassing forty-five customers in proximity to service area boundaries between Niagara-on-the-Lake Hydro and Alectra Utilities (as per 1.3.1 above).</p>
1.4.2	<p>Provide the number of Load Transfer Arrangements eliminated in this application.</p> <p>This application proposes the transfer of all forty-five LTLT customers and associated facilities that exist in the subject service area from Niagara-on-the-Lake Hydro to Alectra Utilities.</p>
1.4.3	<p>Provide the number of customers to be transferred from Niagara-on-the-Lake Hydro to Alectra Utilities.</p> <p>See 1.4.2 above.</p>
1.4.4	<p>Provide the number of customers to be transferred from Alectra Utilities to Niagara-on-the-Lake Hydro.</p> <p>Not applicable.</p>
1.4.5	<p>Provide the list of affected load transfer customers. (Customer listing must</p>

	<p>include customer address, name, billing address, rate class and meter number).</p> <p>Please see Attachment 3 for customer information.</p>
1.4.6	<p>Provide written confirmation that all affected persons have been provided with specific and factual information about the service area amendment(s).</p> <p>The applicants confirm that the affected customers have been notified of the changes affected by the service area amendments. Please see Attachment 6 for the standard Customer Letter.</p>

1.5 Impacts Arising from the Amendment(s)

1.5.1	<p>Use the table below to describe the impact on the average residential customers' total bill that arises as a result of the service area amendment(s) before and after rate mitigation is applied. Use delivery charge on consumer's bill (including cost of losses and excluding all rate riders). Use 750 kWh / month for the average residential consumer. Provide any additional information as required.</p> <p>The delivery charges will increase for the customers being transferred from Niagara-on-the-Lake Hydro to Alectra Utilities. Table 1 below provides the delivery impact on the total bill for residential customers at a typical monthly consumption of 750kWh and for GS<50kW customers with a typical monthly consumption of 2000kWh.</p>
1.5.2	<p>Provide a description of any assets which may be stranded or become redundant after completion of the service area amendment(s). Please explain why these assets could not be transferred to the physical distributor.</p> <p>No assets will be stranded or become redundant after the completion of the service area amendment.</p>
1.5.3	<p>Identify costs for stranded equipment that would need to be de-energized or removed.</p> <p>Not applicable.</p>
1.5.4	<p>Identify any assets that will be transferred to and/or from the applicant(s). If an asset transfer is required, please complete Part II of the application form.</p> <p>Please see Attachment 4 for Asset Transfer Information.</p>
1.5.5	<p>Include an estimate of the credit required for each customer to ensure there is not a negative impact on the total bill.</p> <p>The OEB provided direction in the <i>Amendments to the Distribution System Code</i>" (EB-2015-0006), dated December 21, 2015, specifying that the credit will be calculated using each customer's average monthly consumption over the most recent 12 months of actual billing, at the time the application is filed for the OEB's approval.</p> <p>The credit will be fixed at this calculated level and remain in place as long as the customer remains the account holder.</p>

Consequently, customers transferred from Niagara-on-the-Lake Hydro to Alectra Utilities will receive a monthly bill credit to offset the increase in delivery charges¹.

Residential customers at a typical monthly consumption of 750kWh being transferred from Niagara-on-the-Lake Hydro to Alectra Utilities will receive an estimated credit of \$3.40. GS<50kW customers at a typical monthly consumption of 2000kWh will receive an estimated credit of \$9.39. See Table 1 below for LTLT rate impacts.

Table 2 below provides the credit amount for the customers moving from Niagara-on-the-Lake Hydro to Alectra Utilities, which has been calculated using the customer's average monthly consumption, based on the most recent 12 months.

The OEB has confirmed that a deferral account will be provided for the purpose of tracking the rate mitigation costs for future recovery.

Alectra Utilities requests approval to record the costs associated with the rate impact mitigation plan in Account 1508, Other Regulatory Assets, Sub-Account LTLT Rate Impact Mitigation. A draft accounting order is included as Attachment 7.

Table 1:

Bill Impacts at Typical Consumption Levels for Customers Moving from Niagara-on-the-Lake Hydro (Rates as of May 1, 2016) to Alectra Utilities (Rates as of January 1, 2016)

Monthly Consumption (kWh)	Rate Class	Niagara-on-the-Lake Hydro			Alectra Utilities			Average Monthly Delivery Impact on Total Bill (\$)
		Fixed Charge (\$)	Variable Charge (\$/kWh or \$/kW)	Delivery Charge (\$)**	Fixed Charge (\$)	Variable Charge (\$/kWh or \$/kW)*	Delivery Charge (\$)**	
750	RES	\$21.06	\$0.0098	\$38.36	\$18.80	\$0.01216	\$41.76	\$3.40
2000	GS<50 kW	\$38.44	\$0.0115	\$86.73	\$41.21	\$0.01066	\$96.12	\$9.39

* Includes low voltage charge

** Includes RTSR charges and cost of losses.

¹ For the purpose of credit calculations, the delivery charge includes distribution charges, transmission charges and cost of losses, but excludes any rate riders as specified by the OEB in "Amendments to the Distribution System Code", Section C (File No.: EB-2015-0006), December 21, 2015.

Table 2:

**Credit Amount to Offset Increase in Delivery Charge for Customers Transferring from
Niagara-on-the-Lake Hydro (Rates Effective May 1, 2016) to Alectra Utilities (Rates
Effective January 1, 2016)**

Customer #	Average Monthly Consumption (kWh)	Niagara-on-the-Lake Hydro		Alectra Utilities		Monthly Credit (\$)
		Rate Class	Delivery Charge (\$)**	Rate Class	Delivery Charge (\$)**	
1						
2						
3						
4						
5						
6						
7						
8						
9						
10						
11						
12						
13						
14						
15						
16						
17						
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32						
33						
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36						
37						
38						
39						
40						
41						
42						
43						
44						
45						

** Includes low voltage charge, RTSR charges and cost of losses.

PART II TRANSFER OF ASSETS (S.86 (1) (b))

2.1 Description of the Assets to Be Transferred

2.1.1	<p>Provide a description of the assets that are the subject of the transaction. (Attach a detailed list of assets to be sold including value of assets).</p> <p>Please see Attachment 4 for asset transfer information.</p>
2.1.2	<p>Indicate where the assets are located – whether in the applicant’s service territory or in the recipient’s service territory (if applicable). Please include a map of the location.</p> <p>The assets are located within the territory that is proposed to be transferred from the geographical distributor to the physical distributor. Please see Attachment 5 for maps indicating the location of the assets.</p>
2.1.3	<p>Indicate which distributor’s customers are currently served by the assets.</p> <p>The assets are currently being used to service the geographical distributor’s customers.</p>

2.2 Description of the Sale Transaction

2.2.1	<p>The value of the assets to be transferred shall be determined based on net book value (NBV). Attach the details of the associated cash consideration to be given and received by each of the parties to the transaction.</p> <p>Niagara-on-the-Lake Hydro will sell the assets servicing the subject geographical customers to Alectra Utilities for \$32,290 plus applicable taxes. Please see Attachment 4 for details of the asset transfer information.</p>
2.2.2	<p>Will the transfer impact any other parties (e.g. joint users of poles) including any agreements with third parties? If yes, please specify how.</p> <p>Some of the poles are jointly used by Bell Canada. Both parties have joint use agreements with Bell Canada, as such, no new agreements will be necessary. Both joint use partners will work together to modify their existing permits to include the new poles.</p>

PART III CERTIFICATION AND ACKNOWLEDGEMENT

Applicant:

I certify that the information contained in this application and in the documents provided are true and accurate.

Signature of Key Individual	Name and Title of Key Individual	Date
	Tim Curtis President	

(Must be signed by a key individual. A key individual is one that is responsible for executing the following functions for the applicant: matters related to regulatory requirements and conduct, financial matters and technical matters. These key individuals may include the chief executive officer, the chief financial officer, other officers, directors or proprietors.)

Co-Applicant:

I certify that the information contained in this application and in the documents provided are true and accurate.

Signature of Key Individual	Name and Title of Key Individual	Date
	Indy J. Butany-DeSouza Vice-President, Regulatory	

(Must be signed by a key individual. A key individual is one that is responsible for executing the following functions for the applicant: matters related to regulatory requirements and conduct, financial matters and technical matters. These key individuals may include the chief executive officer, the chief financial officer, other officers, directors or proprietors.)

REVISIONS TO SERVICE AREA DESCRIPTIONS

The proposed revisions to Schedule 1 of Niagara-on-the-Lake Hydro's Definition of Distribution Service Area are provided below:

1. The municipal boundaries of the Town of Niagara-on-the-Lakes as of January 1, 1970 except the area on the East side of Read Road from Lake Ontario in the North to Seaway Haulage Road in the South and the East side of Seaway Haulage Road from Read Road in the North to 1269 Seaway Haulage Road in the South. This includes the following properties on:
 - Read Road – 18, 35, 91, 97, 105, 107, 111, 119, 123, 149, 157, 225, 229, 257, 287, 301, 315, 321, 327, 377, 383, 387, 393, 399, 411, 423, 427, 435, 447, 455, 521, 525, 621, 639, 699, 709, 719.
 - Seaway Haulage Road – 1269, 1281, 1289.

The proposed revisions to Schedule 1 of Alectra Utilities' Definition of Distribution Service Area are provided below.

24. Customers in the Town of Niagara-on-the-Lake located on the East side of Read Road from Lake Ontario in the North to Seaway Haulage Road in the South and the East side of Seaway Haulage Road from Read Road in the North to 1269 Seaway Haulage Road in the South. This includes the following properties on:
 - Read Road – 18, 35, 91, 97, 105, 107, 111, 119, 123, 149, 157, 225, 229, 257, 287, 301, 315, 321, 327, 377, 383, 387, 393, 399, 411, 423, 427, 435, 447, 455, 521, 525, 621, 639, 699, 709, 719.
 - Seaway Haulage Road – 1269, 1281, 1289.

Niagara-on-the-Lake Hydro / Alectra Utilities - LTLT Service Area Map



Niagara-on-the-Lake Hydro / Alectra Utilities – LTLT Customer Information

Cust#	Primary Customer Name	Service Address				Mailing Address if Different				Rate Class	Meter ID No.
		No.	Street	City	Postal Code	No.	Street 1	City	Postal Code		
1		18	READ RD	Niagara on the Lake	L0S 1J0	18	CARLTON ST	NOTL	L0S 1J0	Residential	502036
2		35	READ RD	Niagara on the Lake	L0S 1J0	18	CARLTON ST	NOTL	L0S 1J0	GS<50 k/w	502037
3		91	READ RD	Niagara on the Lake	L0S 1J0					Residential	502034
4		97	READ RD	Niagara on the Lake	L0S 1J0					Residential	502041
5		105	READ RD	Niagara on the Lake	L0S 1J0					Residential	502038
6		105	READ RD	Niagara on the Lake	L0S 1J0	10	PEBBLE BEACH CT	ST. CATHARINES	L2N 5X8	Residential	502039
7		107	READ RD	Niagara on the Lake	L0S 1J0					GS<50 k/w	502040
8		111	READ RD	Niagara on the Lake	L0S 1J0					Residential	506484
9		119	READ RD	Niagara on the Lake	L0S 1J0					Residential	502071
10		123	READ RD	Niagara on the Lake	L0S 1J0					Residential	502072
11		149	READ RD	Niagara on the Lake	L0S 1J0					GS<50 k/w	507924
12		157	READ RD	Niagara on the Lake	L0S 1J0					Residential	502028
13		225	READ RD	Niagara on the Lake	L0S 1J0					Residential	502026
14		229	READ RD	Niagara on the Lake	L0S 1J0					GS<50 k/w	502027
15		229	READ RD	Niagara on the Lake	L0S 1J0					GS<50 k/w	502029
16		257	READ RD	Niagara on the Lake	L0S 1J0					Residential	502042
17		287	READ RD	Niagara on the Lake	L0S 1J0					Residential	502043
18		301	READ RD	Niagara on the Lake	L0S 1J0	532	READ RD	ST. CATHARINES	L2R 7K6	GS<50 k/w	502045
19		315	READ RD	Niagara on the Lake	L0S 1J0					Residential	502051
20		321	READ RD	Niagara on the Lake	L0S 1J0					Residential	502052
21		327	READ RD	Niagara on the Lake	L0S 1J0					GS<50 k/w	502044
22		377	READ RD	Niagara on the Lake	L0S 1J0	399	READ RD	NOTL	L0S 1J0	Residential	502063
23		383	READ RD	Niagara on the Lake	L0S 1J0					Residential	502065
24		387	READ RD	Niagara on the Lake	L0S 1J0					Residential	502064
25		393	READ RD	Niagara on the Lake	L0S 1J0					Residential	502006
26		399	READ RD	Niagara on the Lake	L0S 1J0					Residential	502007
27		411	READ RD	Niagara on the Lake	L0S 1J0	152	CARLTON ST EAST	NOTL	L0S 1J0	Residential	502008
28		423	READ RD	Niagara on the Lake	L0S 1J0					Residential	502009
29		427	READ RD	Niagara on the Lake	L0S 1J0					Residential	508220
30		435	READ RD	Niagara on the Lake	L0S 1J0					Residential	502057
31		447	READ RD	Niagara on the Lake	L0S 1J0					Residential	502056
32		455	READ RD	Niagara on the Lake	L0S 1J0					Residential	502054
33		521	READ RD	Niagara on the Lake	L0S 1J0					Residential	502182
34		521	READ RD	Niagara on the Lake	L0S 1J0					Residential	502183
35		525	READ RD	Niagara on the Lake	L0S 1J0	252	READ RD	NOTL	L0S	Residential	502185
36		621	READ RD	Niagara on the Lake	L0S 1J0	1444	IRVINE RD	NOTL	L0S	GS<50 k/w	500264
37		639	READ RD	Niagara on the Lake	L0S 1J0	1444	IRVINE RD	NOTL	L0S	Residential	502184
38		699	READ RD	Niagara on the Lake	L0S 1J0					Residential	502192
39		709	READ RD	Niagara on the Lake	L0S 1J0					Residential	502190
40		719	READ RD	Niagara on the Lake	L0S 1J0					Residential	500382
41		719	READ RD	Niagara on the Lake	L0S 1J0					GS<50 k/w	501402
42		1269	SEAWAY HAULAGE RD	Niagara on the Lake	L0S 1J0					GS<50 k/w DRC Exempt	500917
43		1281	SEAWAY HAULAGE RD	Niagara on the Lake	L0S 1J0					Residential	500903
44		1289	SEAWAY HAULAGE RD	Niagara on the Lake	L0S 1J0					Residential	500904
45		1289	SEAWAY HAULAGE RD	Niagara on the Lake	L0S 1J0					GS<50 k/w	500905

Attachment 4

Niagara-on-the-Lake Hydro/ Alectra Utilities – LTLT Asset Transfer Information

Summary of Assets to be Sold:

Poles					
Quantity	Map No.	Height (Feet)	Age (Years)	Residual Value [Ea.]	Total Asset Value
1	10	50	9	\$1,335	\$1,335
7	9,6,2,1	40	25	\$654	\$4,578
1	1	40	25	\$0	\$0
1	8	40	49	\$26	\$26
2	3	40	40	\$263	\$526
1	8	40	39	\$286	\$286
1	8	40	37	\$340	\$340
1	3	35	9	\$888	\$888
2	9,7	35	7	\$930	\$1,860
Total Residual Value fo Poles					\$9,839

Primary and Neutral - Wire						
Location	Location	Line Length (m)	# of Phases	Total Length (m)	Price/metre	Total Asset Value
Various	Pole line to customer	na	na	na	\$3	\$6,760
Total Primary and Neutral - Wire						\$6,760

Current Transformer (CT)			
Location	CT size : Characteristics	Residual Value	Total Asset Value
621 Read Road	400:50 CT	\$153	\$153
719 Read Road	400:50 CT	\$153	\$153
Total Current Transformer Value			\$306

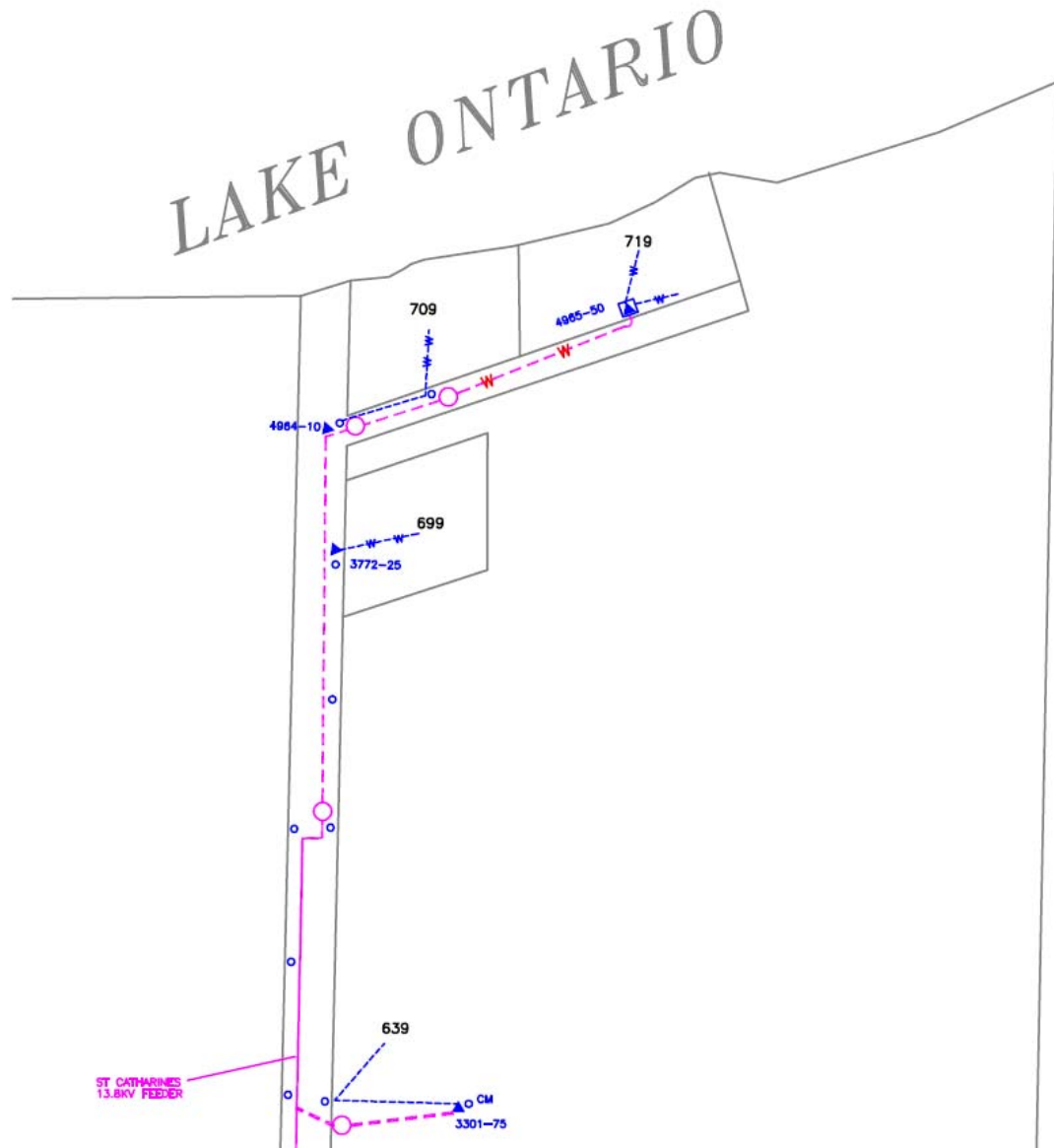
Buss – Wire			
Location	# of Spans	Price/span	Total Asset Value
709 Read Road	1	\$180	\$180
1269 Seaway Haulage Road	2	\$180	\$360
Total Secondary Buss Value			\$540

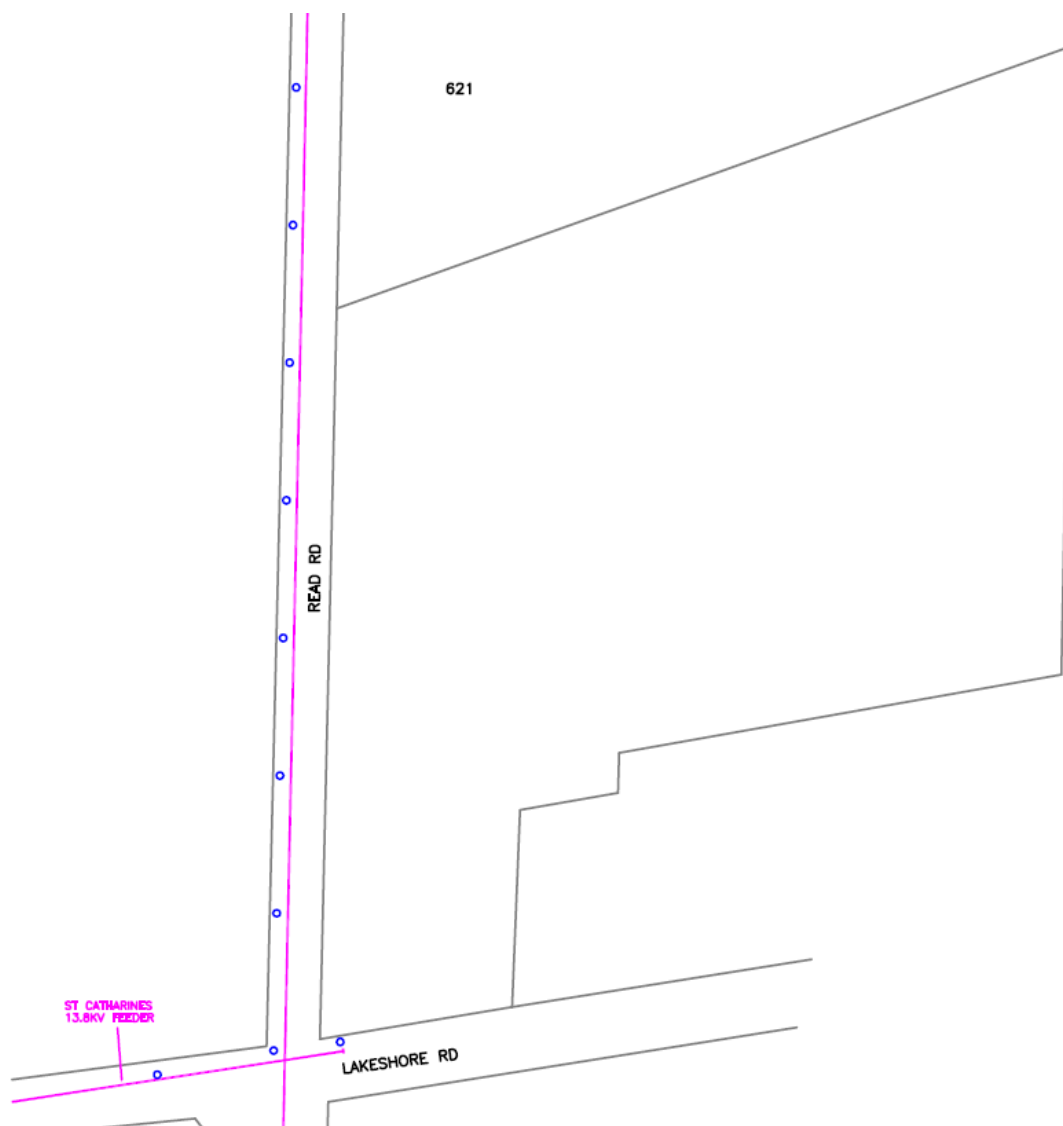
Transformers							
Transformer #	Map No.	kVA	Phase	Age [Years]	Credit	Residual Value [Ea.]	Total Asset Value
4967	10	10	1	20	(\$250)	\$2,025	\$1,775
3225	8	3 x 25	3	4		\$3,544	\$10,632
4966	7	25	1	32		\$1,013	\$1,013
3301	1	75	1	38	(\$250)	\$0	(\$250)
3772	1	25	1	41	(\$250)	\$0	(\$250)
4964	1	10	1	42	(\$250)	\$0	(\$250)
4965	1	50	1	41	(\$250)	\$0	(\$250)
4963	9	50	1	20		\$2,425	\$2,425
Total Residual Value of Transformers							\$14,845
Total Value of Asset Transfer							\$32,290

Attachment 5

Niagara-on-the-Lake Hydro/ Alectra Utilities – LTLT Asset Maps

Map #1

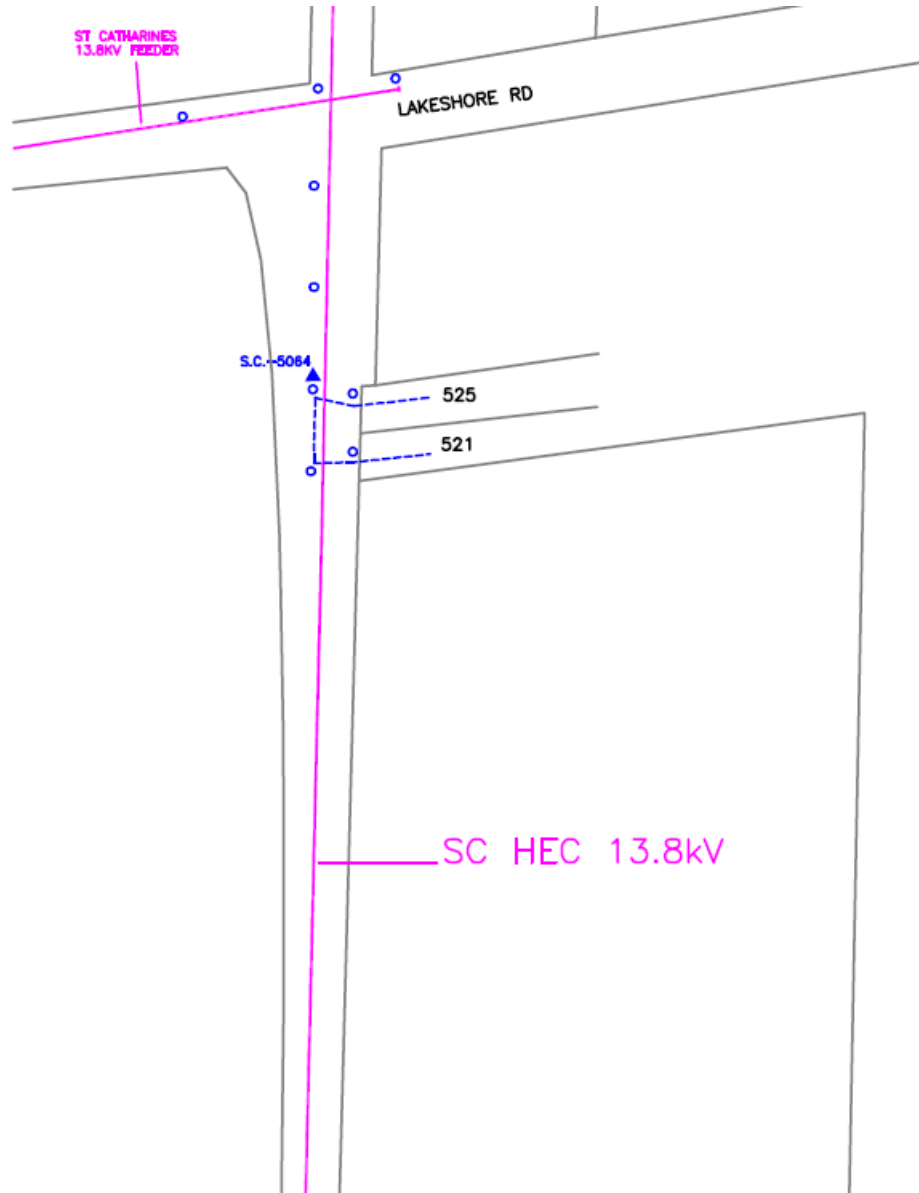




Attachment 5

Niagara-on-the-Lake Hydro/ Alectra Utilities – LTLT Asset Maps

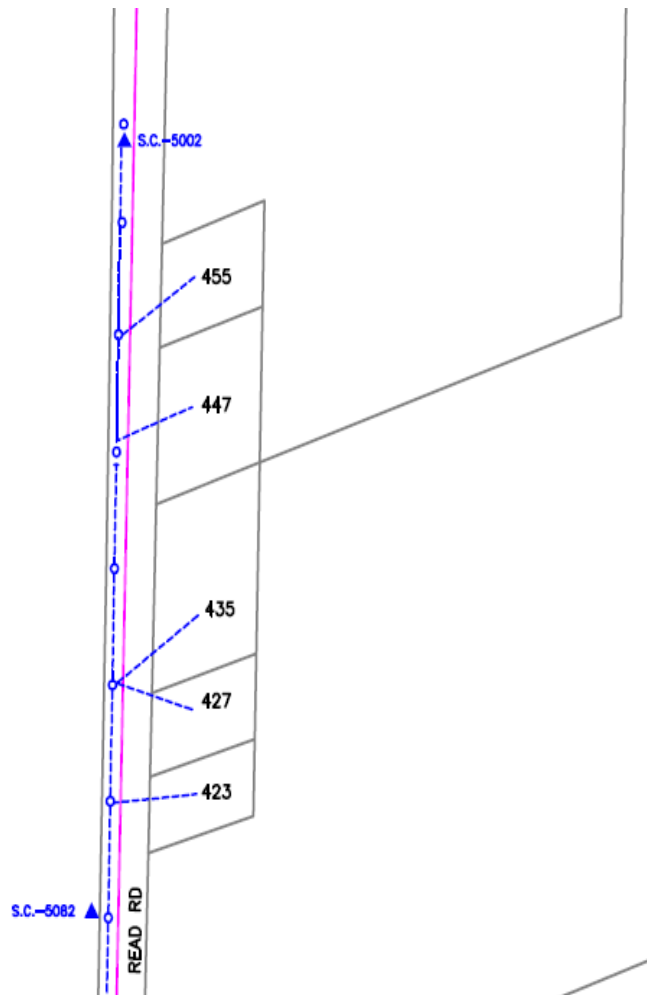
Map #3



Attachment 5

Niagara-on-the-Lake Hydro/ Alectra Utilities – LTLT Asset Maps

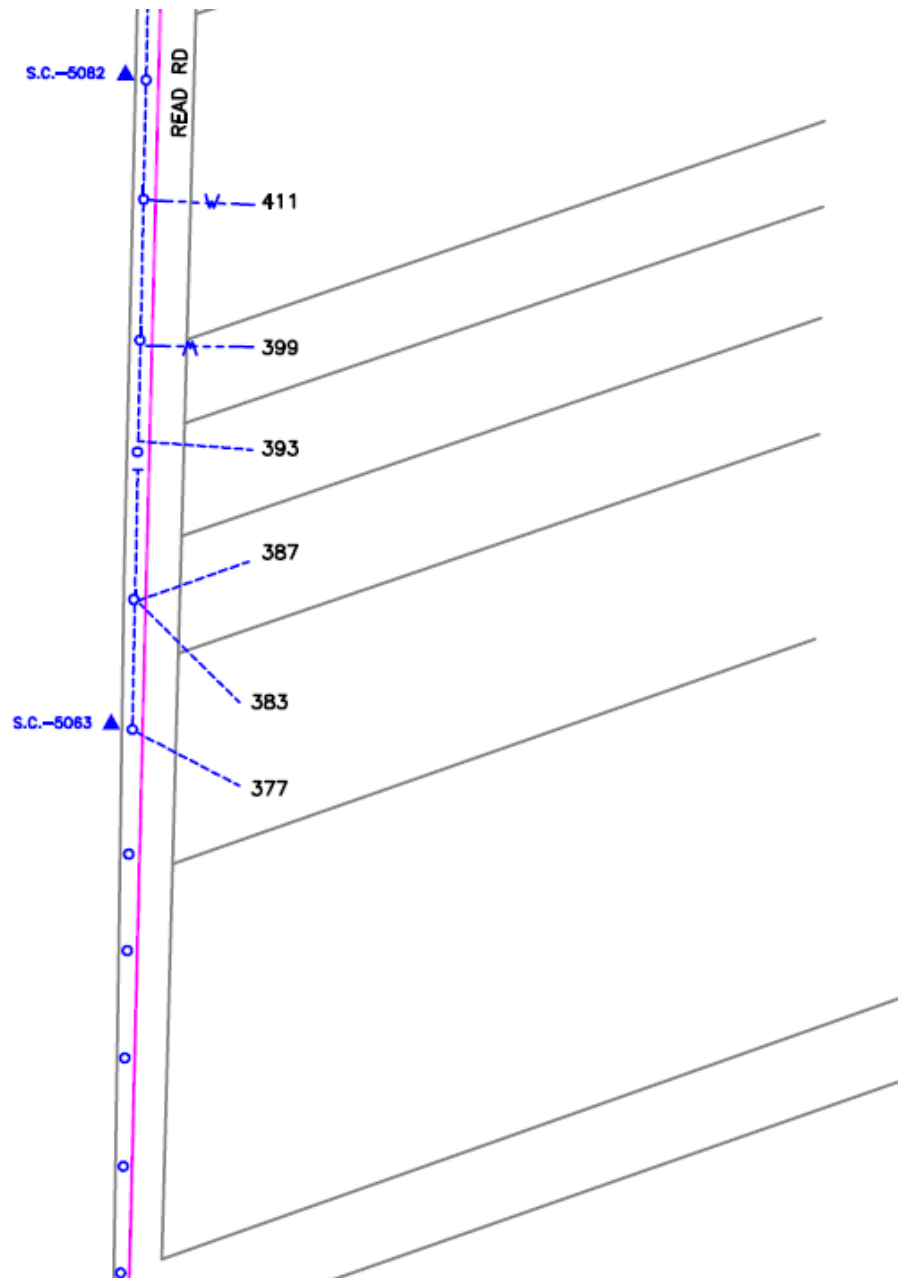
Map #4



Attachment 5

Niagara-on-the-Lake Hydro/ Alectra Utilities – LTLT Asset Maps

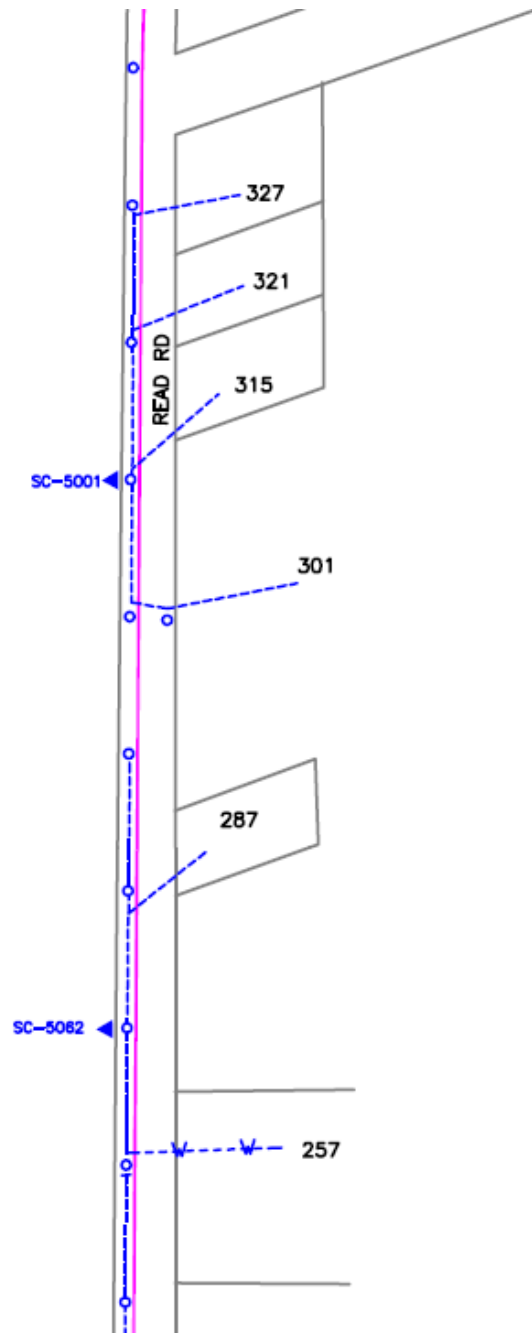
Map #5

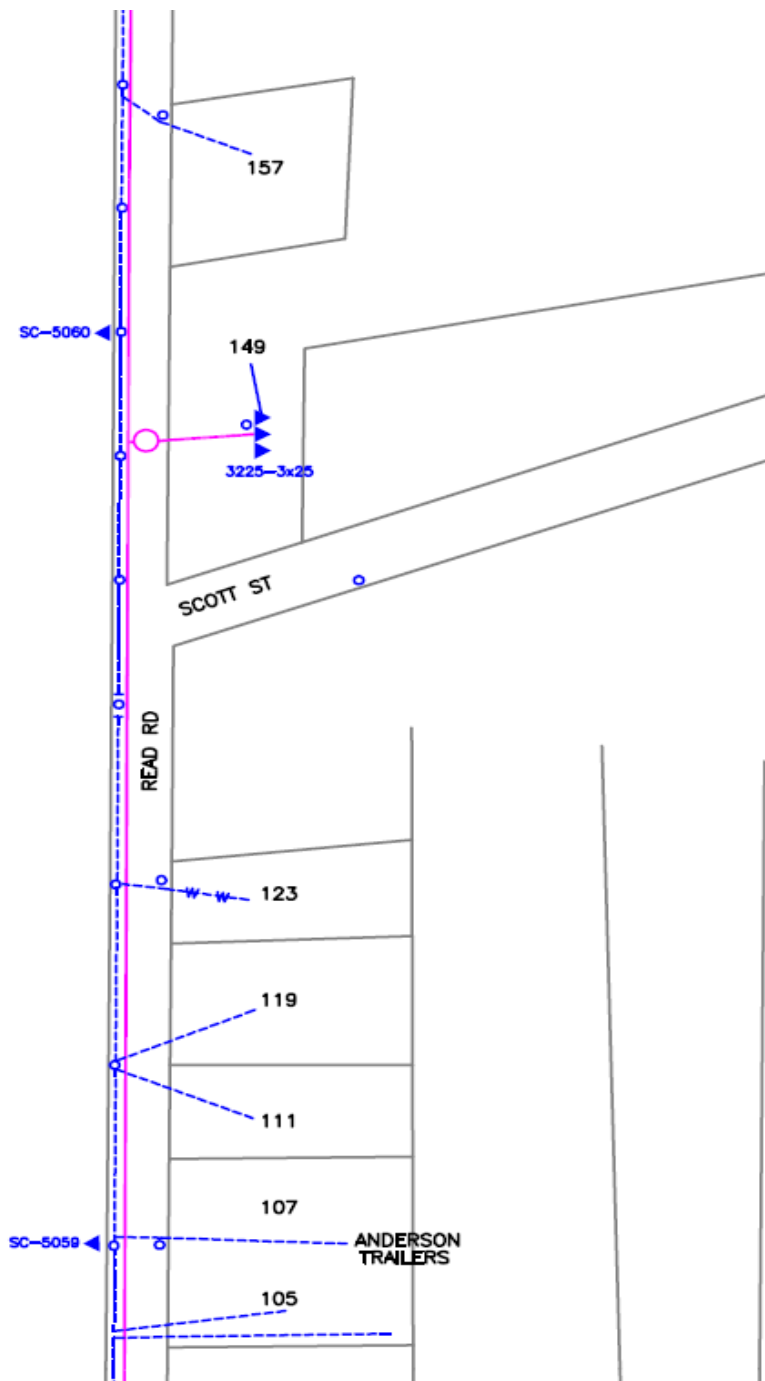


Attachment 5

Niagara-on-the-Lake Hydro/ Alectra Utilities – LTLT Asset Maps

Map #6

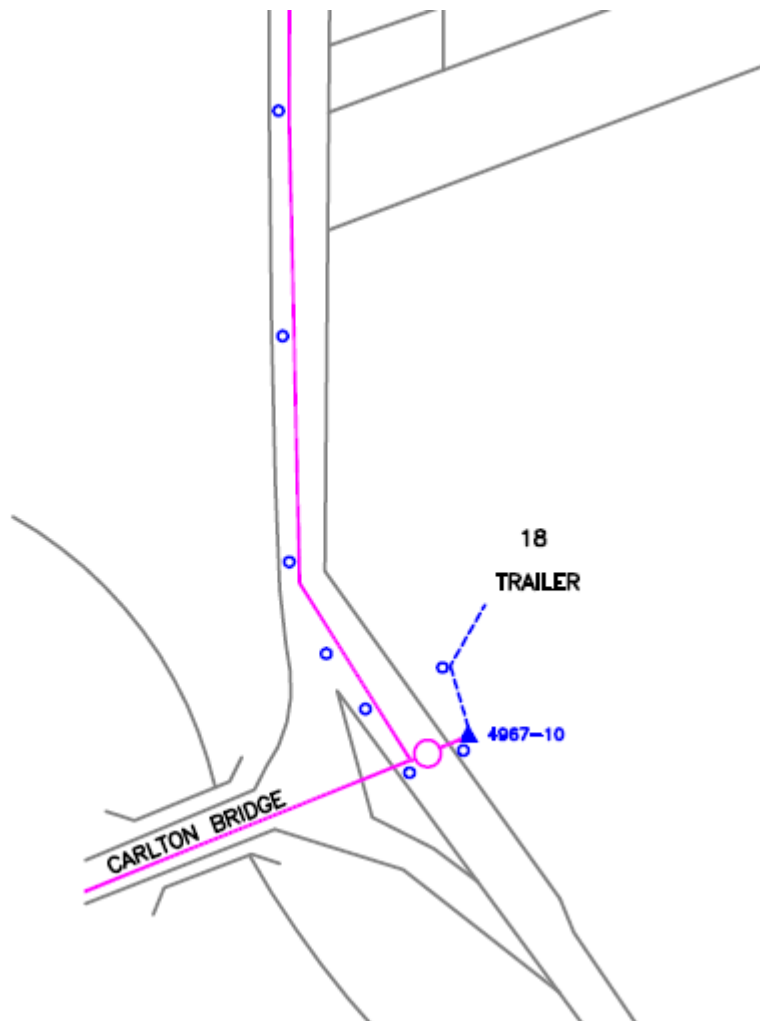




Attachment 5

Niagara-on-the-Lake Hydro/ Alectra Utilities – LTLT Asset Maps

Map #10



Attachment 6

Niagara-on-the-Lake Hydro / Alectra Utilities – LTLT Elimination Sample Customer Letter

Notice of Changes to Your Electricity Distributor

Dear Customer:

While you are currently a customer of Niagara-on-the-Lake Hydro, the power delivered to your address comes from the Alectra Utilities Corporation ("Alectra Utilities"), (formerly Horizon Utilities Corporation) power system in St. Catharines. We settle behind the scenes with Alectra Utilities for the cost of this power. You may already be aware of this due to the need for you to call Alectra Utilities in the event of a power outage.

The Ontario Energy Board has ruled that all customers in this situation should be transferred to the electricity distributor providing the electricity. Niagara-on-the-Lake Hydro and Alectra Utilities are therefore making a joint submission to the Ontario Energy Board to transfer a total of 45 accounts to Alectra Utilities, including yours. You will be notified by Alectra Utilities once this transfer is complete and Alectra Utilities will then be responsible for delivering your power, reading your smart meter, issuing your monthly bill and providing you with quality customer service. There will be a short outage as the meters serving your account are switched.

Alectra Utilities has a higher delivery charge than Niagara-on-the-Lake Hydro. To ensure you do not realize an increase in your monthly bill, Alectra Utilities will provide a credit on your bill to offset the higher delivery charge as long as you remain the account holder.

Please do not hesitate to contact me or one of our customer service staff at 905-468-4235 should you have any questions or concerns.

Yours truly,

Tim Curtis

President

Attachment 7

Niagara-on-the-Lake Hydro / Alectra Utilities – LTLT Elimination

Alectra Utilities Corporation Draft Accounting Order

Account 1508 Other Regulatory Assets – Sub-account LTLT Rate Impact Mitigation Deferral Account

Alectra Utilities Corporation shall establish this new deferral account, effective February 15, 2017, to record costs associated with lost revenue resulting from the rate impact mitigation plan associated with the transfer of long term load transfer customers and any costs involved in the set-up of such a plan.

The disposition of the deferral account will be subject to an OEB determination of prudence.

The accounting entries to be recorded are as follows:

USoA#	Account Description
Dr: 1508	Other Regulatory Assets – Sub account LTLT Rate Impact Mitigation Deferral
Cr: 1100	Customer Accounts Receivable

To record the lost revenue resulting from the rate impact mitigation plan.

USoA#	Account Description
Dr: 1508	Other Regulatory Assets – Sub account LTLT Rate Impact Mitigation Deferral
Cr: 4405	Interest and Dividend Income

To record the lost revenue resulting from the rate impact mitigation plan.