

Town of Richmond Hill

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ONTARIO ENERGY BOARD

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April 5, 2007

DELIVERED BY MAIL & FAX (416) 440-7656

Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street  
27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Madam:

Re: PowerStream Inc. - 2007 Distribution Rate Harmonization Application  
Board File No.: EB-2007-0074  
Our File: L00-POW

EB 2007-0074

OEB BOARD SECRETARY	
File No:	SubFile: 4
Panel	
Licensing	C. Clark
Other	
00/04	1 HC

I am writing this letter on behalf of the Corporation of the Town of Richmond Hill ("Town") to request intervenor status for the Town in respect PowerStream Inc.'s ("PowerStream") 2007 Distribution Rate Harmonization Application (the "Application").

The Application is being made pursuant to the Board's Decision and Order dated April 28, 2006, which directed PowerStream to bring forward a proposed harmonization plan to allow for the implementation of harmonized rates in 2007.

The Town intervened in the Board proceedings to which its April 28, 2006 Order applies (Board File Nos.: RP-2005-0020 and EB-2005-0409) in order to stress the importance of PowerStream honouring commitments made to harmonize electricity distribution rates, so that Richmond Hill customers would not continue to pay significantly higher rates than Markham and Vaughan customers. Harmonization was a requirement of the Share Purchase Agreement dated November 2, 2000, by which PowerStream's predecessor companies acquired Richmond Hill Hydro from the Town. Section 7.7 of this agreement stated in part:



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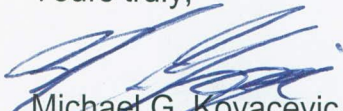
*"the Purchasers covenant that after the Closing Date the distribution rates charged to distribution customers within the municipal boundaries of the Town of Richmond Hill will be harmonized with the distribution rates charged to the Purchasers' customers subject to OEB requirements."* For these same reasons, the Town is now seeking intervenor status in the current Board proceeding, EB-2007-0074.

The Town submits that its previous submissions, as an intervenor, resulted in the order of the Board requiring PowerStream to submit a 2007 Distribution Rate Harmonization Application, and it is therefore appropriate that it be granted intervenor status in the Board proceedings dealing with the Application.

At this point in the proceedings, we do not contemplate that the Town will be seeking costs from the applicant, but the Town reserves the right to seek costs if the circumstances of the proceedings warrant an award of costs.

Should you have any questions or concerns regarding the foregoing, please do not hesitate to contact the undersigned.

Yours truly,



Michael G. Kovacevic  
Assistant Town Solicitor

MGK/pc

cc: Joan Anderton, Chief Administrative Officer (Town of Richmond Hill)  
Dan Elliott, Commissioner of Finance & Treasurer (Town of Richmond Hill)  
David Dexter, Director of Financial Services (Town of Richmond Hill)  
Helen T. Newland (Frasner Milner Casgrain LLP)  
Paula Conboy, Director, Regulatory & Government Affairs (PowerStream Inc.)