



Electricity Distribution Licence

ED-2002-0552

Halton Hills Hydro Inc.

Valid Until

July 24, 2043

Brian Hewson
Vice President, Consumer Protection and Industry Performance
Ontario Energy Board

Date of Issuance: July 25, 2023

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LIST OF AMENDMENTS

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1 Definitions

In this Licence:

"Accounting Procedures Handbook" means the handbook, approved by the Ontario Energy 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;

"distribution services" means services related to the distribution of electricity and the services the Ontario Energy 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;

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

"IESO" means the Independent Electricity System Operator;

"Licensee" means Halton Hills Hydro Inc.

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

"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;

"service area" means the area in which the distributor is authorized by its licence to distribute electricity;

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 Ontario Energy Board, except where the Licensee has been specifically exempted from such compliance. 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.

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.

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 Ontario Energy 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.

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 Ontario Energy 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 Ontario Energy 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 Ontario Energy Board may determine.

14 Provision of Information to the Ontario Energy Board

- 14.1 The Licensee shall maintain records of and provide, in the manner and form determined by the Ontario Energy Board, such information as the Ontario Energy Board may require from time to time.
- 14.2 Without limiting the generality of paragraph 14.1, the Licensee shall notify the Ontario Energy 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.

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; and
- d) give or send free of charge a copy of the process to any person who reasonably requests it.

17 Term of Licence

- 17.1 This Licence shall take effect on July 25, 2023 and expire on July 24, 2043. The term of this Licence may be extended by the Ontario Energy Board.

18 Fees and Assessments

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

19 Communication

- 19.1 The Licensee shall designate a person that will act as a primary contact with the Ontario Energy Board on matters related to this Licence. The Licensee shall notify the Ontario Energy 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 Pole Attachments

21.1 The Licensee shall provide access to its distribution poles to all Canadian carriers, as defined by the Telecommunications Act, and to all cable companies that operate in the Province of Ontario. For each attachment, with the exception of wireless attachments, the Licensee shall charge the rate approved by the Ontario Energy Board and included in the Licensee's tariff.

21.2 The Licensee shall:

- a) annually report the net revenue, and the calculations used to determine that net revenue, earned from allowing wireless attachments to its poles. Net revenues will be accumulated in a deferral account approved by the Ontario Energy Board;
- b) credit that net revenue against its revenue requirement subject to Ontario Energy Board approval in rate proceedings; and
- c) provide access for wireless attachments to its poles on commercial terms normally found in a competitive market.

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.

1. The Town of Halton Hills as of December 31, 1990.

- Excluding the customers located at the following addresses:
 - i. 11106 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - ii. 11154 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - iii. 11180 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - iv. 11196 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - v. 11204 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - vi. 11354 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - vii. 11722 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - viii. 11808 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - ix. 11814 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - x. 11878 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - xi. 11890 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - xii. 11898 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - xiii. 11944 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - xiv. 11992 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - xv. 11998 Winston Churchill Blvd, Halton Hills, ON, L7G 4S7
 - xvi. 12302 10th Line, Halton Hills, ON, L7G 4S7
 - xvii. 12496 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xviii. 12508 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xix. 12618 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xx. 12680 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxi. 12688 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxii. 12822 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxiii. 12900 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxiv. 12916 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxv. 12938 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxvi. 12964 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxvii. 13070 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxviii. 13080 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxix. 13086 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxx. 13096 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxxi. 13102 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxxii. 13112 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxxiii. 13116 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxxiv. 13140 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxxv. 13162 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxxvi. 13202 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxxvii. 13216 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxxviii. 14452 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xxxix. 14572 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xl. 14574 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xli. 14576 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
 - xlii. 14578 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0

- xliii. 14584 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
- xliv. 14592 Winston Churchill Blvd, Halton Hills, ON, L0P 1N0
- xl. 9285 Townline Road, Halton Hills, ON
- xlvi. 9321 Townline Road, Halton Hills, ON
- xlvi. 13335 Townline Road, Halton Hills, ON

2. The property having the municipal address of 7751 Winston Churchill Blvd in the City of Brampton.
3. The property having the municipal address of 10884 Winston Churchill Blvd in the City of Brampton.
4. The lands located on Winston Churchill Blvd., between Hwy 401 and Meadowpine Blvd. with the civic address number 7575.
5. The customers located at the following premise addresses in the Town of Erin, formerly known as the Township of Erin, Village of Erin, as at December 31, 1997.

- 4901 Trafalgar Road, Erin, ON, N0B 1H0
- 4902 6th Line, Erin, ON, L7J 2L8
- 4919 6th Line, Erin, ON, L7J 2L8
- 8704 Erin Halton Hills Townline, Erin, ON, L7J 2L7
- 8718 Erin Halton Hills Townline, Erin, ON, L7J 2L7
- 8750 Erin Halton Hills Townline, Erin, ON, L7J 2L7
- 8818 Erin Halton Hills Townline, Erin, ON, L7J 2L9
- 8832 Erin Halton Hills Townline, Erin, ON, L7J 2L9
- 8840 Erin Halton Hills Townline, Erin, ON, L7J 2L9
- 8848 Erin Halton Hills Townline, Erin, ON, L7J 2L9
- 8852 Erin Halton Hills Townline, Erin, ON, L7J 2L9
- 8858 Erin Halton Hills Townline, Erin, ON, L7J 2L9
- 8864 Erin Halton Hills Townline, Erin, ON, L7J 2L9
- 8868 Erin Halton Hills Townline, Erin, ON, L7J 2L9
- 8910 Erin Halton Hills Townline, Erin, ON, L7J 2L9
- 8912 Erin Halton Hills Townline, Erin, ON, L7J 2L9
- 8948 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 8962 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 8966 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 8976 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 8984 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 8986 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9024 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9030 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9032 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9050 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9062 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9092 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9098 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9176 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9188 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9206 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9212 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9224 Erin Halton Hills Townline, Erin, ON, L7J 2L8

- 9244 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9248 Erin Halton Hills Townline, Erin, ON, L7J 2L8
- 9314 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9332 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9346 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9358 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9362 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9364 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9366 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9368 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9370 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9374 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9376 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9380 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9382 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9386 Erin Halton Hills Townline, Erin, ON, N0B 1H0
- 9404 Wellington Road 42, Erin, ON, N0B 1H0
- 9406 Wellington Road 42, Erin, ON, N0B 1H0
- 9410 Wellington Road 42, Erin, ON, N0B 1H0
- 9414 Wellington Road 42, Erin, ON, N0B 1H0
- 9416 Wellington Road 42, Erin, ON, N0B 1H0
- 9418 Wellington Road 42, Erin, ON, N0B 1H0
- 9420 Wellington Road 42, Erin, ON, N0B 1H0
- 9422 Wellington Road 42, Erin, ON, N0B 1H0
- 9424 Wellington Road 42, Erin, ON, N0B 1H0
- 9426 Wellington Road 42, Erin, ON, N0B 1H0
- 9428 Wellington Road 42, Erin, ON, N0B 1H0
- 9430 Wellington Road 42, Erin, ON, N0B 1H0
- 9432 Wellington Road 42, Erin, ON, N0B 1H0
- 9434 Wellington Road 42, Erin, ON, N0B 1H0
- 9438 Wellington Road 42, Erin, ON, N0B 1H0
- 9440 Wellington Road 42, Erin, ON, N0B 1H0
- 9454 Wellington Road 42, Erin, ON, N0B 1H0
- 9466 Wellington Road 42, Erin, ON, N0B 1H0
- 9468 Wellington Road 42, Erin, ON, N0B 1H0
- 9470 Wellington Road 42, Erin, ON, N0B 1H0

6. Customers in the Town of Milton at the following municipal addresses:

- 5654 Highway 7
- Crewsons Line & Highway 7 – CN Crossing
- 14130 Crewsons Line
- 14146 Crewsons Line
- 14166 Crewsons Line
- 14200 Crewsons Line
- 10580 Nassagaweya Esquesing Townline
- 10664 Nassagaweya Esquesing Townline
- 10670 Nassagaweya Esquesing Townline

- 11040 Nassagaweya Esquesing Townline
- 11192 Nassagaweya Esquesing Townline
- 11196 Nassagaweya Esquesing Townline
- 11200 Nassagaweya Esquesing Townline
- 11276 Nassagaweya Esquesing Townline
- 5565 Fifteen Side Road
- 5593 Fifteen Side Road
- 5657 Fifteen Side Road

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.

1. 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 by the Ontario Energy Board.

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 requirements of section 6.5.3 of the Distribution System Code until December 31, 2025 in relation to 33 load transfer customers located within the Town of Halton Hills with the following municipal addresses:

9118, 9190, 9206, 9218, 9250, 9278, 9294, 9296, 9362, 9368, 9402, 9420, 9438, 9446, 9550, 9564, 9580, 9584, 9590, 9610, 9616, 9618, 9626, 9636, 9652, 9674, 9690, 9714, 9734, 9738, 9754, 9774 and 9792 on Winston Churchill Blvd.

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.