

August 29, 2023

Submitted via RESS

Ms. Nancy Marconi Registrar Ontario Energy Board 2300 Yonge Street, 27th floor Toronto, ON M4P 1E4

Dear Ms. Marconi:

Canadian Niagara Power Inc. (CNPI) is pleased to provide the attached Electricity Distribution Licence Renewal Application. In addition to the items proposed for the Ontario Energy Board (OEB)'s consideration in the licence renewal application form, CNPI notes the following sections of the current distribution licence are no longer required:

- 12 Separation of Business Activities
- 12.1 [...]
- 12.2 The Licensee shall maintain separate accounting and financial records, including records of capital investments, and shall file separate rates applications with respect to the electricity distribution business operated by the Licensee within the municipal boundaries of the City of Port Colborne, as described in part 8 of Schedule 1 of this Licence.
- 12.3 The Licensee shall maintain separate accounting and financial records, including records of capital investments, with respect to the electricity distribution business operated by the Licensee in the service area formerly served by Eastern Ontario Power Inc. as described in Schedule 1, parts 3 to 7 of this Licence.

CNPI notes that for some time the rate applications and other reporting to the OEB have been provided on a combined basis for CNPI's service areas in Port Colborne, Fort Erie, and Eastern Ontario Power (ie: Gananoque and surrounding areas). Currently, CNPI has harmonized rates for these three territories. CNPI's 2013 Cost of Service Rate Application (EB-2012-0112) was submitted on a combined basis for all three territories and resulted in the eventual rate harmonization for the three territoriesⁱ.CNPI therefore requests that these sections 12.2 and 12.3 be removed from the license as they are no longer applicable.

Additionally, CNPI requests that the OEB consider removing the phrase "parts 1 to 7" under section 3.1(a) of the license. CNPI believes this section should have been updated with the previous additions of sections 7 and 8 to Schedule 1 (Service Territory), but nonetheless the entirety of Schedule 1 should be referred to in section 3.1(a).

Should you have any questions regarding the licence renewal application, please do not hesitate to contact me directly.

Sincerely,

Oana Stefan Manager, Regulatory Affairs Regulatory Affairs@FortisOntario.com

¹ See OEB Partial Decision and Order in EB-2012-0112 dated November 8, 2012, page 43 (Settlement Agreement-Rate Design).



Streamlined Electricity Distribution Licence Renewal Application

1. Applicant

Name of Applicant: Canadian Niagara Power Inc.	
	Telephone Number: (905) 871-0330
Address: 1130 Bertie Street, Fort Erie, ON, L2A 5Y2	Email Address: regulatoryaffairs@cnpower.com
	Corporate Website: www.cnpower.com
Licence Primary Contact: Oana Stefan, Manager Regulatory Affairs	Telephone Number: (905)871-0330 ext. 3271
	Email Address: oana.stefan@cnpower.com
Application Primary Contact:	Telephone Number (N/A)
(If different from Licence Primary Contact above) Name and Title	Email Address (N/A)

2. Current Licence Information

2.1	Licence Number: ED-2002-0572
2.2	Licence Expiry Date: November 5, 2023

3. Applicant's Key Individuals

Please provide a list of key individuals responsible for executing the following functions for the applicant: matters related to regulatory requirements and conduct, financial matters, and technical matters. The list must also include the Executives responsible for the following roles: the chief executive officer, the chief operating officer, the chief financial officer.

Name of Key Individual	Title/Position	Telephone Number	Email Address
Oana Stefan	Manager, Regulatory Affairs	(905)871-0330 ext. 3271	Oana.stefan@cnpower.co m
Jeff Hoover	Regional Manager, Niagara	(905)871-0330 ext. 3217	hooverj@cnpower.com
Jackie Baird	Regional Manager, Eastern Region	(613)932-0123 ext. 4232	bairdj@cnpower.com
Glen King	CEO and President, Acting Vice President of Finance and CFO.	(905) 871-0030 ext. 3643	Glen.king@fortisontario.c om
Jie Han	Vice President of Operations	(905)871-0330 ext. 3639	Jie.han@fortisontario.com

Tim Lavoie	Vice President Corporate Services & Indigenous Relations	(705)941-5697	Tim.Lavoie@fortisontario. com
------------	--	---------------	----------------------------------

4. Affiliates of the Applicant

4.1 Please provide the following information for all Affiliates of the Applicant (attach a copy of 4.1 for each affiliate)

CNPI Note: We have provided the names of affiliated companies operating in Ontario below. FortisOntario Inc. is in turn a subsidiary of Fortis Inc, which has multiple other subsidiaries operating in the energy sector in North America. In the interest of efficiency, we have limited the listing of affiliates to the direct affiliates under FortisOntario Inc.

4.1.1	Full Legal Name of Affiliate Company: Algoma Power Inc.
4.1.2	Description of Business Activities of Affiliate Company: Electricity Distribution
4.1.3	If Affiliate Company is licensed, provide licensing information: ED-2009-0072
4.1.4	Affiliate Company's website, if available: www.algomapower.com

4.1.1	Full Legal Name of Affiliate Company: Cornwall Street Railway Light and Power Company Limited
4.1.2	Description of Business Activities of Affiliate Company: Electricity Distribution
4.1.3	If Affiliate Company is licensed, provide licensing information: ED-2004-0405
4.1.4	Affiliate Company's website, if available: www.cornwallelectric.com

4.1.1	Full Legal Name of Affiliate Company: FortisOntario Inc.
4.1.2	Description of Business Activities of Affiliate Company: Generation
4.1.3	If Affiliate Company is licensed, provide licensing information: EG-2003-0107

4.1.1	Full Legal Name of Affiliate Company: Wataynikaneyap Power PM Inc.
4.1.2	Description of Business Activities of Affiliate Company: Project Management for Transmission Company (Wataynikaneyap Power GP Inc.)

4.1.3	If Affiliate Company is licensed, provide licensing information: N/A.
	Wataynikaneyap Power GP Inc.: ET-2015-0264
4.1.4	Affiliate Company's website, if available:
	https://www.wataypower.ca/

4.1.1	Full Legal Name of Affiliate Company: Fortis (WP) GP Inc.
4.1.2	Description of Business Activities of Affiliate Company: General Partner
4.1.3	If Affiliate Company is licensed, provide licensing information: N/A
4.1.4	Affiliate Company's website, if available: N/A

4.2 Please attach a corporate organization chart describing the relationships between the Applicant and its Affiliates and, if applicable, the respective ownership percentages by the Applicant in each Affiliate.

CNPI Response:

Please See Attachment A for the requested Organization Chart.

5. Description of Service Area

5.1	Please confirm that the licensee's service area is accurately reflected in Schedule 1 of its existing distribution licence.
	CNPI Response:
	Due to the nature of the service area description (ie: in some areas, service territory boundary is specified via addresses and properties rather than territory/municipal boundaries) in CNPI's current Schedule 1, CNPI believes certain updates are required to address the development of the Eastern Ontario Power territory since the Schedule was last updated (ie: areas surrounding Gananoque). Please see Attachment B for a proposed updated Schedule 1.
5.2	If the service area is not accurately reflected in Schedule 1 of the licence, please provide an updated service area description and explanation for the discrepancy. CNPI Response: Please see Attachment B for an updated proposed Schedule 1 of the license.

3. List of Code Exemptions

6.1	Please list all code exemptions included in Schedule 3 of the licence and identify any code exemptions that are no longer necessary and may be removed from the licence.
-----	--

CNPI Response:

r

Please see Attachment C, a schedule of all current license exemptions. CNPI believes the following exemptions can be removed from the license: Exemption #2, subpoint a)- Fortis Properties Corporation Inc. no longer exists and can be removed. All other items in this section should remain as-is. Additionally the reference to Fortis Properties Corporation Inc. in subpoint d) can also be removed.

Exemptions #3 and #4 relate to the implementation of Smart Metering/TOU. Exemption #4 has already expressly expired and CNPI no longer requires exemption #3 (and in fact section2.5.3 of the Standard Supply Service Code does not exist in the current version of that document).

CERTIFICATION AND ACKNOWLEDGMENT

- 1. I certify that the information contained in this application and in the documents provided are true and accurate.
- 2. I confirm that that are there are no outstanding fees assessed by the OEB, RRR filings or other information requests.
- 3. I certify that the licensee is compliant with all applicable provisions of the Distribution System Code, Affiliate Relationships Code for Electricity Distributors and Transmitters, Retail Settlement Code, Standard Supply Service Code, and all other conditions set out in their licence subject to any approved exemption(s).

Signature of Key Individual	Name and Title of Key Individua Glen King President and CEO	Date August 29, 2023
-----------------------------	---	-------------------------

(Must be signed by Chief Executive Officer, Chief Operating Officer, President or other person of equivalent position.)

Canadian Niagara Power Inc. Electricity Licence Renewal Application ED-2002-0572 Filed: August 29, 2023

Attachment A – Organization Chart

CORPORATE STRUCTURE

The following chart outlines the corporate structure of FortisOntario.



Attachment B – Description of Service Area/Schedule 1

(redline and clean versions)

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 Fort Erie as of December 31, 1990 as per *Regional Municipality of Niagara Act*, R.S.O. 1990,
 - Including the customers located at the following physical addresses:
 - i. 14761 Sodom Road, Niagara Falls
 - ii. 14785 Schauble Road, Welland
 - iii. 7378 Durliat Road, Welland
 - iv. 6625 Willow Road, Port Robinson
 - v. 6541 Willow Road, Port Robinson
 - vi. 6409 Willow Road, Port Robinson
 - vii. 6113 Willow Road, Port Robinson
 - viii. 5981 Willow Road, Port Robinson
 - ix. 3400 Newgate Road, Port Robinson
 - Excluding the customers located at the following physical addresses
 - i. 3288 Montrose Road, Stevensville
 - ii. 3362 Montrose Road, Stevensville
 - iii. 3392 Montrose Road, Stevensville
- 2. The customer located at 7780 Stanley Avenue, Niagara Falls.
- 3. The Town of Gananoque as of <u>November 6, 2003</u>, except for three customers located at 795 King Street East, 797 King Street East and 799 King Street East.
- 4. The customers located in the Township of Leeds and the Thousand Islands, formerly in the Townships of the Front of Leeds and Lansdowne:
 - Concession 1 Broken Front lots 1-8; the portions of Concession 1 lots 9-11 south of Hwy 401; the portion of Concession 1 Lot A south of County Rd. 2; and the islands of Pike Island, Sister Island, Cherry Island, <u>Orniston Island (formerly known as Cunningham</u> Island) and Red Horse Island.
- 5. The customers located in the Township of Frontenac Islands, formerly in the Township of Howe Islands:
 - Fuller Road: Lot 21, Concession NR.
- 6. The customers located at the following lots and concessions or with the following civic numbers and future customers that lie along the Licensee's distribution system in the City of Kingston, formerly the Township of Pittsburgh:
 - Concession 2 lots 7 18 excluding existing customers that front on Joyceville Road and future customers that lie along that Hydro One Networks Inc. (HONI) distribution system, but including CNPI customers with civic numbers 1680,1682 and 1776 Joyceville Road, and including lots 25 to 38 excluding one HONI navigation light service in lot 27.

Deleted: the date of this Licence

 Deleted:

 Deleted: and the west half of lot 9,

 Deleted: south half (

 Deleted: south of Hwy 401)

 Deleted: Cunningham

 Deleted: part of

1

- Concession 3 lots 2 to 38, south of Hwy 401 including the existing customers on John F Scott Rd and future customers that lie along that CNPI distribution system, excluding existing customers that front on Joyceville Road and future customers that lie along that HONI distribution system and excluding one customer lot 18 with address Highway 401 at Exit 632 and excluding lot 38 customers with civic numbers 2101,2931,2131 and 2173 Deer Ridge Road and excluding future customers that lie along that HONI distribution system.
- Concession 7: one station service Washburn Generating Station.
- Concession 8: one house with civic address 3012 Brewer's Mill Road and one station service Brewers Mills Generating Station.
- Concession 9: one station service at Jones Falls Generating Station.
- Kingston Mills Road: 563, 537, 531, 513, 509, 501, 503, 500, 497, 493, 492, 490, 480, 484, 473, 474, 464, 462, 460, 456, 452, 448, 445, 444, 440, 436, 432, 429, and 431.
- Old Kingston Mills Road: 946 and 950.
- County Road #15: <u>1697,</u> 1986 and 1993.
- Abbey Dawn Road: 1707, 1671, <u>1660,</u> 1655, 1635, 1619, 1597, 1570, <u>1569</u> and 1569.
- County Road #2: 3206, 3211, 3122 and 3275.
- 7. The customers located at the following civic numbers and future customers that lie along the Licensee's distribution system in the City of Kingston, formerly in the Township of Kingston:
 - Italia Lane: 1174, 1110 and 1<u>1</u>04.
 - Montreal Street: 401 Parking lot, 1648, 1620, 1684, 1670, 1658 and 1702.
 - Thompson Cresent: 965, 949, 943, 937, 931, 927, 924, 921, 916, 905, 906, 903 and 893.
 - Kingston Mills Road: 892, 885, 876, 875, 799, 793, 787, 781, 775, 773, 765, 759, 753, 749, 743, 737, 733, 727, 723, 719, 715, 71<u>1,710</u> 709, 707, 703, 697, 693, 689, 685, 681, 675, 669, 661 and 636.
 - Daylan Avenue: <u>1622</u>,1628, 1633, 1632, 1672, 1668, 1646, 1650, 1654, 1656, 1655, 1658, 1660, 1682, 1692, and 1686.
 - John F Scott Road: 991, 1015, 1021, 1050, and the sign under the bridge by Hwy 401,
 - Battersea Road: 1616, 1618, 1624, 1642, 1658, 1670, 1684, and 1702.
 - Station Road: 1699.
- The Town of Port Colborne as of December 31, 1990 as per *Regional Municipality of Niagara Act*, R.S.O. 1990.

Formatted: List Paragraph, Indent: Hanging: 0.64 cm, Line spacing: Exactly 12.15 pt, Bulleted + Level: 2 + Aligned at: 1.48 cm + Indent at: 2.11 cm, Tab stops: 2.11 cm, Left + 2.12 cm, Left

Deleted: ¶

Deleted: and

 Formatted: Space Before: 0 pt, Line spacing: Exactly 11.4 pt

 Deleted: and¶

 Deleted: ¶

 Formatted: Not Expanded by / Condensed by

 Formatted: Indent: Left: 2.11 cm, No bullets or numbering

 Formatted: Not Expanded by / Condensed by

 Formatted: Indent: Left: 1.48 cm, Hanging: 1.27 cm, Line spacing: single, No bullets or numbering, Tab stops: Not at 2.11 cm + 2.11 cm

 Formatted: Indent: Left: 1.48 cm, Hanging: 1.27 cm, Line spacing: single, No bullets or numbering, Tab stops: Not at 2.11 cm + 2.11 cm

2

- Excluding the customers located at the following civic numbers and locations: ٠
 - 3334 Nugent Road, Port Colborne 3386 Nugent Road, Port Colborne i.
 - ii.
 - iii. 3512 Nugent Road, Port Colborne
 - 3562 Nugent Road, Port Colborne 3770 West Side Road, Port Colborne iv.
 - ٧.
 - Nugent Road at West Side Road (Streetlight), Port Colborne vi.
 - vii. 3397 Townline Road, Port Colborne
 - 3429 Townline Road, Port Colborne viii.

Deleted: Section Break (Next Page)

ſ

- 9. The customers located at the following civic numbers in the Township of Wainfleet:
 - 20116 Port Colborne Wainfleet Road S. •
 - 20122 Port Colborne Wainfleet Road S. •
 - 20136 Port Colborne Wainfleet Road S.
 - 20146 Port Colborne Wainfleet Road S. ٠
 - 20154 Port Colborne Wainfleet Road S. •

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 Fort Erie as of December 31, 1990 as per *Regional Municipality of Niagara Act*, R.S.O. 1990,
 - Including the customers located at the following physical addresses:
 - i. 14761 Sodom Road, Niagara Falls
 - ii. 14785 Schauble Road, Welland
 - iii. 7378 Durliat Road, Welland
 - iv. 6625 Willow Road, Port Robinson
 - v. 6541 Willow Road, Port Robinson
 - vi. 6409 Willow Road, Port Robinson
 - vii. 6113 Willow Road, Port Robinson
 - viii. 5981 Willow Road, Port Robinson
 - ix. 3400 Newgate Road, Port Robinson
 - Excluding the customers located at the following physical addresses
 - i. 3288 Montrose Road, Stevensville
 - ii. 3362 Montrose Road, Stevensville
 - iii. 3392 Montrose Road, Stevensville
- 2. The customer located at 7780 Stanley Avenue, Niagara Falls.
- 3. The Town of Gananoque as of November 6, 2003, except for three customers located at 795 King Street East, 797 King Street East and 799 King Street East.
- 4. The customers located in the Township of Leeds and the Thousand Islands, formerly in the Townships of the Front of Leeds and Lansdowne:
 - Concession 1 Broken Front lots 1-8; the portions of Concession 1 lots 9-11 south of Hwy 401; the portion of Concession 1 Lot A south of County Rd. 2; and the islands of Pike Island, Sister Island, Cherry Island, Orniston Island (formerly known as Cunningham Island) and Red Horse Island.
- 5. The customers located in the Township of Frontenac Islands, formerly in the Township of Howe Islands:
 - Fuller Road: Lot 21, Concession NR.
- 6. The customers located at the following lots and concessions or with the following civic numbers and future customers that lie along the Licensee's distribution system in the City of Kingston, formerly the Township of Pittsburgh:
 - Concession 2 lots 7 18 excluding existing customers that front on Joyceville Road and future customers that lie along that Hydro One Networks Inc. (HONI) distribution system, but including CNPI customers with civic numbers 1680,1682 and 1776 Joyceville Road, and including lots 25 to 38 excluding one HONI navigation light service in lot 27.

- Concession 3 lots 2 to 38, south of Hwy 401 including the existing customers on John F Scott Rd and future customers that lie along that CNPI distribution system, excluding existing customers that front on Joyceville Road and future customers that lie along that HONI distribution system and excluding one customer lot 18 with address Highway 401 at Exit 632 and excluding lot 38 customers with civic numbers 2101,2931,2131 and 2173 Deer Ridge Road and excluding future customers that lie along that HONI distribution system.
- Concession 7: one station service Washburn Generating Station.
- Concession 8: one house with civic address 3012 Brewer's Mill Road and one station service Brewers Mills Generating Station.
- Concession 9: one station service at Jones Falls Generating Station.
- Kingston Mills Road: 563, 537, 531, 513, 509, 501,503, 500, 497, 493, 492, 490, 480,484, 473, 474, 464, 462, 460, 456, 452, 448,445, 444,440, 436, 432, 429, and 431.
- Old Kingston Mills Road: 946 and 950.
- County Road #15: 1697, 1986 and 1993.
- Abbey Dawn Road: 1707, 1671,1660, 1655, 1635, 1619, 1597, 1570,1569 and 1569.
- County Road #2: 3206, 3211, 3122 and 3275.
- 7. The customers located at the following civic numbers and future customers that lie along the Licensee's distribution system in the City of Kingston, formerly in the Township of Kingston:
 - Italia Lane: 1174, 1110 and 1104.
 - Montreal Street: 401 Parking lot, 1648, 1620, 1684, 1670, 1658 and 1702.
 - Thompson Cresent: 965, 949, 943, 937, 931, 927, 924, 921, 916, 905, 906, 903 and 893.
 - Kingston Mills Road: 892, 885, 876, 875, 799, 793, 787, 781, 775, 773, 765, 759, 753, 749, 743, 737, 733, 727, 723, 719, 715, 711,710 709, 707, 703, 697, 693, 689, 685, 681, 675, 669, 661 and 636.
 - Daylan Avenue: 1622,1628, 1633, 1632, 1672, 1668, 1646, 1650, 1654, 1656, 1655, 1658, 1660,1682, 1692, and 1686.
 - John F Scott Road: 991, 1015, 1021, 1050, and the sign under the bridge by Hwy 401.
 - Battersea Road: 1616, 1618, 1624, 1642, 1658, 1670, 1684, and 1702.
 - Station Road: 1699.
- 8. The Town of Port Colborne as of December 31, 1990 as per *Regional Municipality of Niagara Act*, R.S.O. 1990.

- Excluding the customers located at the following civic numbers and locations:
 - i. 3334 Nugent Road, Port Colborne
 - ii. 3386 Nugent Road, Port Colborne
 - iii. 3512 Nugent Road, Port Colborne
 - iv. 3562 Nugent Road, Port Colborne
 - v. 3770 West Side Road, Port Colborne
 - vi. Nugent Road at West Side Road (Streetlight), Port Colborne
 - vii. 3397 Townline Road, Port Colborne
 - viii. 3429 Townline Road, Port Colborne
- 9. The customers located at the following civic numbers in the Township of Wainfleet:
 - 20116 Port Colborne Wainfleet Road S.
 - 20122 Port Colborne Wainfleet Road S.
 - 20136 Port Colborne Wainfleet Road S.
 - 20146 Port Colborne Wainfleet Road S.
 - 20154 Port Colborne Wainfleet Road S.

Canadian Niagara Power Inc. Electricity Licence Renewal Application ED-2002-0572 Filed: August 29, 2023

Attachment C – Licence Exemptions/Schedule 3

(redline and clean versions)

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 the following sections of the Affiliate Relationships Code for Electricity Distributors and Transmitters under the conditions specified in section 2 of this Schedule:

Section 2.2.2

Where a utility shares information services with an affiliate, all confidential information must be protected from access by the affiliate. Access to a utility's information services shall include appropriate computer data management and data access protocols as well as contractual provisions regarding the breach of any access protocols. A utility shall, if required to do so by the Board, conduct a review of the adequacy, implementation or operating effectiveness of the access protocols and associated contractual provisions which complies with the provision of section 5970 of the CICA Handbook. A utility shall also conduct such a review when the utility considers that there may have been a breach of the access protocols or associated contractual provisions and that such review is required to identify any corrective action that may be required to address the matter. The utility shall comply with such directions as may be given by the Board in relations to the terms of section 5970 review. The results of any such review shall be made available to the Board.

Section 2.2.3

A utility shall not share with an affiliate that is an energy service provider employees that are directly involved in collecting, or have access to, confidential information.

- The Exemptions from the requirements of the Affiliate Relationship Code for Electricity Distributors and Transmitters referred to section 1 of this Schedule (the "Exemptions") are subject to the following conditions:
 - a) The exemptions only apply in respect of the relationship between the Licensee and the following affiliates and not with respect to any other affiliates of the Licensee:
 - FortisOntario Inc.;

• Cornwall Street Railway Light and Power Company Limited.: and

- Algoma Power Inc.
- b) The Licensee shall not share facilities, confidential information or employees with any affiliate identified in paragraph a) for any purpose other than the provision of services to, or the receipt of services from, the affiliate under the Services Agreements dated September 15, 2010 (the "Services Agreements") as filed with the Board as part of the materials filed in support of the application for the Exemptions, as such Services Agreements may be amended from time to time.

1

Deleted: ¶ Fortis Properties Corporation; and¶

- c) The activities of the Licensee relative to the affiliates identified in paragraph a) shall be governed by, and the Licensee shall be bound by and comply with, the Services Agreements, as amended from time to time.
- d) The Licensee shall notify the Board of any material change relative to the materials filed in support of the application for the Exemptions as soon as possible upon becoming aware of such change and in no event later than fifteen days following the date on which the change occurs. Without limiting the generality of the foregoing, this obligation includes notifying the Board in the event of a change in the market activities of FortisOntario Inc.
- e) The Board may, on its own initiative or upon receipt of notice from the Licensee under paragraph d), by order revoke one or more of the Exemptions, vary one or more of the conditions set out above or impose additional conditions upon becoming aware of any material change relative to the materials filed in support of the application for Exemptions, or for such other reason as the Board considers appropriate.

Deleted: either

Deleted: . or Fortis Properties Corporation

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

The Licensee is exempt from the provisions of the Standard Supply Service Code for Electricity Distributors requiring time-of-use pricing for Regulated Price Plan consumers with eligible timeof- use meters, as of the mandatory date in the areas served by Canadian Niagara Power Inc. – Port Colborne and Canadian Niagara Power Inc. – Fort Erie. This exemption expires January 31, 2012.¶

2

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 the following sections of the Affiliate Relationships Code for Electricity Distributors and Transmitters under the conditions specified in section 2 of this Schedule:

Section 2.2.2

Where a utility shares information services with an affiliate, all confidential information must be protected from access by the affiliate. Access to a utility's information services shall include appropriate computer data management and data access protocols as well as contractual provisions regarding the breach of any access protocols. A utility shall, if required to do so by the Board, conduct a review of the adequacy, implementation or operating effectiveness of the access protocols and associated contractual provisions which complies with the provision of section 5970 of the CICA Handbook. A utility shall also conduct such a review when the utility considers that there may have been a breach of the access protocols or associated contractual provisions and that such review is required to identify any corrective action that may be required to address the matter. The utility shall comply with such directions as may be given by the Board in relations to the terms of section 5970 review. The results of any such review shall be made available to the Board.

Section 2.2.3

A utility shall not share with an affiliate that is an energy service provider employees that are directly involved in collecting, or have access to, confidential information.

- 2. The Exemptions from the requirements of the Affiliate Relationship Code for Electricity Distributors and Transmitters referred to section 1 of this Schedule (the "Exemptions") are subject to the following conditions:
 - a) The exemptions only apply in respect of the relationship between the Licensee and the following affiliates and not with respect to any other affiliates of the Licensee:
 - FortisOntario Inc.;
 - Cornwall Street Railway Light and Power Company Limited.; and
 - Algoma Power Inc.
 - b) The Licensee shall not share facilities, confidential information or employees with any affiliate identified in paragraph a) for any purpose other than the provision of services to, or the receipt of services from, the affiliate under the Services Agreements dated September 15, 2010 (the "Services Agreements") as filed with the Board as part of the materials filed in support of the application for the Exemptions, as such Services Agreements may be amended from time to time.

- c) The activities of the Licensee relative to the affiliates identified in paragraph a) shall be governed by, and the Licensee shall be bound by and comply with, the Services Agreements, as amended from time to time.
- d) The Licensee shall notify the Board of any material change relative to the materials filed in support of the application for the Exemptions as soon as possible upon becoming aware of such change and in no event later than fifteen days following the date on which the change occurs. Without limiting the generality of the foregoing, this obligation includes notifying the Board in the event of a change in the market activities of FortisOntario Inc.
- e) The Board may, on its own initiative or upon receipt of notice from the Licensee under paragraph d), by order revoke one or more of the Exemptions, vary one or more of the conditions set out above or impose additional conditions upon becoming aware of any material change relative to the materials filed in support of the application for Exemptions, or for such other reason as the Board considers appropriate.