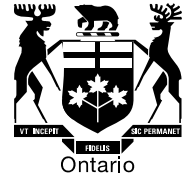


**Ontario Energy
Board**
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Telephone: 416- 481-1967
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**Commission de l'Énergie
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BY E-MAIL

October 21, 2008

Douglas Bradbury
Director, Regulatory Affairs
Canadian Niagara Power Inc.
1130 Bertie St.
P.O. Box 1218
Fort Erie ON L2A 5Y2

Dear Mr. Bradbury:

**Re: CNPI Eastern Ontario Power -EB-2008-0222
CNPI Fort Erie -EB-2008-0223
CNPI Port Colborne -EB-2008-0224
2009 Cost of Service Distribution Rate Application
Procedural Order No 2**

The Board has issued its combined Procedural Order No. 2 in the above noted matter.

Please see attached.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary

cc: Intervenor of record



EB-2008-0222
EB-2008-0223
EB-2008-0224

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF applications by Canadian Niagara Power Inc. – Eastern Ontario Power, Canadian Niagara Power Inc. – Fort Erie and Canadian Niagara Power Inc. – Port Colborne for an order approving just and reasonable rates and other charges for electricity distribution to be effective May 1, 2008.

PROCEDURAL ORDER No. 2

Canadian Niagara Power Inc. – Eastern Ontario Power (CNPI – EOP), Canadian Niagara Power Inc. – Fort Erie (CNPI – FE) and Canadian Niagara Power Inc. – Port Colborne (CNPI – PC) (collectively CNPI or the Applicant) filed applications with the Ontario Energy Board, received on August 18, 2008, under section 78 of the *Ontario Energy Board Act, 1998*, (the Act), seeking approval for changes to the rates that CNPI – EOP, CNPI – FE and CNPI – PC charges for electricity distribution, to be effective May 1, 2009. The Board has assigned the CNPI – EOP application File Number EB-2008-0222, the CNPI – FE application File Number EB-2008-0223 and the CNPI – PC application File Number EB-2008-0224.

The Board issued Notices of Application and Hearing for each of the applications.

There are several common elements in these applications and the same intervenors are parties in all of the cases. To effect a more efficient process and pursuant to section 21(5) of the Act, the Board has determined that the review of these applications will be combined into one proceeding, while maintaining the separate identification of each of the applications.

The Board issued Procedural Order No. 1 on this matter on October 10, 2008. In that order, the Board indicated that all parties would be informed of the decision regarding the request for intervenor status from the Association of Major Power Consumers in Ontario (AMPCO) through a subsequent Procedural Order.

The Board recognizes that AMPCO is a consumer interest advocacy organization that serves the interests of Ontario's major industries and business consumers in general. The Board finds merit in having AMPCO as an intervenor and grants its request, together with the awarding of costs associated with its participation.

The Board recognizes that the costs of an intervention can be relatively significant for a smaller distributor. While the Board encourages active participation in the review of an application, intervenors should be mindful of the potential impact of these costs upon ratepayers, which the Board will take into consideration when it determines its cost awards. The Board will also take into account the quality and relevance of the intervention. In addition, the Board will consider any duplication of effort by intervenors in this proceeding. As a guide, the Board has attached a table (Appendix A) that summarizes the approved cost awards for those distributors that made cost of service applications for their 2008 rates.

A revised list of intervenors is attached as Appendix B to this order.

Please be aware that this Procedural Order may be amended, and further procedural orders may be issued from time to time.

THE BOARD ORDERS THAT:

1. AMPCO shall be granted its request for intervenor status, together with the awarding of costs associated with its participation in this proceeding.
2. AMPCO shall abide to the schedule and requirements with respect to the filing of interrogatories as set out in Procedural Order No. 1.

DATED at Toronto, October 21, 2008.

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

APPENDIX A

2008 COS EDR COMPARISON OF COST AWARDS TO REVENUE REQUIREMENT by LDC and INTERVENOR COST PER CUSTOMER

DECISION & ORDER ON COST ISSUED							
<u>Distributor</u>	<u>Number of Intervenors</u>	<u>EB Number</u>	<u>Proposed Revenue Requirement</u>	<u>Approved Cost Award</u>	<u>% Revenue</u>	<u>Number of Customers</u>	<u>Cost per Customer</u>
Hydro 2000 Inc.	1	EB-2007-0704	\$333,872	\$5,196.75	1.56%	1,159	\$4.48
Chapleau Public Utilities Corporation	1	EB-2007-0755	\$736,568	\$6,756.25	0.92%	1,338	\$5.05
Espanola Regional Hydro Distribution Corporation	2	EB-2007-0901	\$1,304,404	\$9,735.32	0.75%	3,316	\$2.94
Rideau St. Lawrence Distribution Inc.	2	EB-2007-0762	\$2,267,241	\$12,388.05	0.55%	5,864	\$2.11
Lakefront Utilities Inc.	2	EB-2007-0761	\$5,077,851	\$17,257.19	0.34%	9,057	\$1.91
Halton Hills Hydro Inc.	2	EB-2007-0696	\$10,446,283	\$21,206.04	0.20%	20,214	\$1.05
Norfolk Power Distribution Inc.	2	EB-2007-0753	\$12,800,352	\$12,699.65	0.10%	18,641	\$0.68
PUC Distribution Inc.	1	EB-2007-0931	\$17,191,211	\$5,338.36	0.03%	32,512	\$0.16
Oshawa PUC Networks Inc.	3	EB-2007-0710	\$20,440,000	\$22,204.50	0.11%	50,978	\$0.44
AMPCO Motion on Oshawa PUC Networks Decision	4	EB-2008-0099	\$20,440,000	\$45,032.40	0.22%	50,979	\$0.88
Barrie Hydro Distribution Inc.	2	EB-2007-0746	\$35,008,572	\$11,968.00	0.03%	68,535	\$0.17
Enersource Hydro Mississauga Inc.	5	EB-2007-0706	\$124,300,000	\$111,258.31	0.09%	183,706	\$0.61
Hydro Ottawa Ltd.	4	EB-2007-0713	\$147,951,054	\$81,425.95	0.06%	286,995	\$0.28
Toronto Hydro-Electric System	5	EB-2007-0680	\$498,400,000	\$250,344.26	0.05%	679,864	\$0.37
					0.36%	average	\$1.51

APPENDIX B
CANADIAN NIAGARA POWER INC.

EB-2008-0222

EB-2009-0223

EB-2008-0224

REVISED LIST OF INTERVENORS

Organization	Rep. And Address for Service
1. Vulnerable Energy Consumers Coalition	Public Interest Advocacy Centre 34 King Street East, Suite 1102 Toronto, Ontario M5C 2X8 Attn: Mr. Michael Buonaguro Tel: (416) 767-1666 Fax: (416) 348-0641 Email: mbuonaguro@piac.ca
AND	
	Econalysis Consulting Services 34 King Street East, Suite 1102 Toronto, Ontario M5C 2X8 Attn: Mr. Bill Harper Tel: (416) 348-0193 Fax: (416) 348-0641 Email: bharper@econalysis.ca
2. Energy Probe Research Foundation	Mr. Peter T. Faye Barrister and Solicitor 42 Eastwood Crescent Markham, Ontario L3P 5Z7 Tel: (905) 294-2013 Email: pfaye@rogers.com
AND	
	Energy Probe Research Foundation 225 Brunswick Ave. Toronto, Ontario M5S 2M6 Attn: Mr. David S. MacIntosh Tel: (416) 964-9223 Ext. 235 Fax: (416) 964-8239 Email: DavidMacIntosh@nextcity.com

Organization	Rep. And Address for Service
3. School Energy Coalition	Ontario Education Services Corporation % Ontario Public School Boards Association 439 University Avenue, 18 th Floor Toronto, Ontario M5G 1Y8 Attn: Mr. Bob Williams, Co-ordinator Tel: (416) 340-2540 Fax: (416) 340-7571 Email: bwilliams@opsba.org
AND	Shibley Righton LLP Barristers and Solicitors 250 University Avenue, Suite 700 Toronto, Ontario M5H 3E5 Attn: Mr. John De Vellis Tel: (416) 214-5232 Fax: (416) 214-5432 Email: john.devellis@shibleyrighton.com
AND	Institutional Energy Analysis, Inc. 250 University Avenue, Suite 700 Toronto, Ontario M5H 3E5 Attn: Ms. Rachel Chen, Principal Consultant Tel: (416) 214-5218 Fax: (416) 214-5418 Email: rachel.chen@ieai.ca
4. Association of Major Power Consumers in Ontario	Association of Major Power Consumers in Ontario 372 Bay Street, Suite 1702 Toronto, Ontario M5H 2W9 Attn: Mr. Adam White, President Tel: (416) 260-0225 Fax: (416) 260-0442 Email: awhite@ampco.org
AND	Ms. Christine Dade 1449 Connery Crerscent Oshawa, Ontario L1J 8E8 Tel: (905) 723-9895 Email: dade9895@rogers.com

Organization	Rep. And Address for Service
AND	Association of Major Power Consumers in Ontario 372 Bay Street, Suite 1702 Toronto, Ontario M5H 2W9 Attn: Ms. Shelley Grice Tel: (416) 260-0280 ext 104 Fax: (416) 260-0442 Email: sgrice@ampco.org