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DEC 04 2008

ONTARIO ENERGY BOARD

EB-2008-0308

EB-2008-0309

ONTARIO ENERGY BOARD

IN THE MATTER OF the Ontario Energy Board Act, 1998

AND IN THE MATTER OF an Application by Middlesex Power Distribution Corp. for leave to acquire Dutton Hydro Limited and Newbury Power Inc.

AFFIDAVIT OF PROOF OF SERVICE

I, Cheryl Decaire of the Municipality of Chatham-Kent, in the Province of Ontario, make oath and say as follows:

- 1. I am the Co-ordinator of Regulatory and Rates by Chatham-Kent Utility Services and as such have knowledge of the matters hereinafter deposed to.
2. On November 12, 2008, I caused the Notice of Application, attached as Exhibit "A" hereto, to be published in the Strathroy Age Dispatch by sending a copy of the Notice of Application by facsimile to the Strathroy Age Dispatch.
3. On November 6, 2008, I caused the Notice of Application, attached as Exhibit "B" hereto, to be published in The Chronicle by sending a copy of the Notice of Application by facsimile to The Chronicle.
4. Middlesex Power Distribution Corp. is not a Host Distributor therefore we were not required to inform any Embedded Distributor(s).
5. A copy of the Application is available for public perusal at 351 Frances Street, Strathroy, Ontario.

EB-2008-0309
EB-2008-0308

Last Day of Publication: Nov. 12, 08
Last Day for Intentions: Nov 24, 08

SWORN BEFORE ME at the City of Chatham in the Province of Ontario this 3rd day of December, 2008

Carol Holling
Commissioner of Oath

Cheryl Decaire
Co-ordinator of Regulatory and Rates

Table with 2 columns: File No, SubFile, Panel, Licensing, Other. Includes handwritten entries like 'Zora C.' and 'Natasha S.'.



Ontario
EB-2008-0308
EB-2008-0309

Notice

Notice

Notice

Ontario Energy
Board

Commission de l'énergie
de l'Ontario



Ontario
EB-2008-0308
EB-2008-0309

**NOTICE OF APPLICATION AND
NOTICE OF WRITTEN HEARING**

**GAS FRANCHISE APPROVAL AND APPROVAL TO ESTABLISH
A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY
FOR THE COUNTY OF MIDDLESEX**

Union Gas Limited (the "Applicant") has filed an application dated September 19, 2008 with the Ontario Energy Board (the "Board") under section 9 of the Municipal Franchises Act, R.S.O. 1990, c. M.55, as amended (the "Act"), for an order of the Board approving the terms and conditions upon which and the period for which the Corporation of the County of Middlesex (the "Corporation") is, by by-law, to grant to the Applicant the right to construct and operate works for the distribution of gas and the right to extend and add to the works in the County of Middlesex (the "Municipality"). The Applicant has also applied for an order of the Board declaring and directing that the assent of the municipal electors to the by-law is not necessary. The Applicant has also applied, pursuant to section 8 of the Act, for an order superseding the part of the existing Certificate of Public Convenience and Necessity (F.B.C. 259), related to the Corporation of the County of Middlesex and replacing it with a new Certificate of Public Convenience and Necessity (the "Certificate") for the equivalent rights as contained in F.B.C. 259 for the Corporation of the County of Middlesex.

The Board has assigned the following file numbers to this matter: EB-2008-0308 (for the franchise renewal) and EB-2008-0309 (for the certificate).

The application will be decided by the Manager, Facilities Applications, who has been delegated this authority pursuant to section 6 of the Ontario Energy Board Act, 1998, S.O. 1998, c.15 (Schedule B). The Manager, Facilities Applications does not intend to provide for an award of costs when deciding this application.

Copies of the application and pre-filed evidence will be available for public inspection at the Board's offices, the Applicant's offices, and at the office of the Corporation at the addresses indicated below.

The Board intends to proceed with the application by way of a written hearing unless a party satisfies the Board that there is a good reason for not holding a written hearing. If you object to the Board holding a written hearing in this matter, you must provide written reasons why an oral hearing is necessary. Any submissions objecting to a written hearing must be received by the Board within 7 days of the publication date of this Notice.

If you wish to participate in the written hearing, you must forward three copies of your written submissions to the Board Secretary and one copy to the applicant at the addresses below. All submissions must be received no later than 14 days after the publication date of this Notice. If the Applicant wishes to respond to the written submissions, such response must be received by the Board no later than 21 days after the publication date of this Notice. All submissions must quote file no. EB-2008-0308 / EB-2008-0309, clearly state the sender's name and address, and be received by the Board Secretary by 4:45 p.m. on the required dates.

IF YOU DO NOT FILE A WRITTEN SUBMISSION OBJECTING TO A WRITTEN HEARING OR DO NOT PARTICIPATE IN THE HEARING BY FILING WRITTEN SUBMISSIONS IN ACCORDANCE WITH THIS NOTICE, THE BOARD MAY PROCEED WITHOUT YOUR PARTICIPATION AND YOU WILL NOT BE ENTITLED TO FURTHER NOTICE IN THIS PROCEEDING.

ADDRESSES

(for viewing of copies of application)

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

Attn: Ms. Kirsten Walli
Board Secretary

Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

**The Corporation of the County of
Middlesex**
399 Ridout Street North
London, ON N6N 2P1

Attn: Ms. Kathleen Bunting
County Clerk

Tel: 519-434-7321
Fax: 519-434-0638

**DATED at Toronto, November 3, 2008
ONTARIO ENERGY BOARD**
Original signed by

Kirsten Walli
Board Secretary

Union Gas Limited
(Head Office)
50 Keil Drive North
Chatham ON N7M 5M1

Attn: Mr. Patrick McMahon
Manager, Regulatory
Research and Records

Tel: 519-436-5325
Fax: 519-436-4641

**Union Gas Limited
(District Office)**
109 Commissioners Road
London ON N6A 4P1

Attn: Mr. Shawn Khoshaien
District Manager
London/Sarnia

Tel: 519-667-4109
Fax: 519-667-4299

Ontario Energy
Board

Commission de l'énergie
de l'Ontario

NOTICE OF APPLICATION AND HEARING

**MIDDLESEX POWER DISTRIBUTION CORPORATION
APPLICATION FOR LEAVE TO ACQUIRE
DUTTON HYDRO LIMITED and NEWBURY POWER INC.**

The Application

Middlesex Power Distribution Corporation ("Middlesex Power"), a licensed electricity distributor, has filed an application with the Ontario Energy Board, received on October 15, 2008, under section 86(2)(a) of the Ontario Energy Board Act, 1998, S.O. 1998, c. 15 (Schedule B) (the "Act"). The application requests leave of the Board to acquire Dutton Hydro Limited ("Dutton Hydro") and Newbury Power Inc ("Newbury Power"). The Board has assigned file number EB-2008-0332 to the application to acquire Dutton Hydro and file number EB-2008-0350 to the application to acquire Newbury Power. Pursuant to its power under section 21(5) of the Act, the Board will consider these applications together through a consolidated hearing.

Middlesex Power has requested, under section 77(5) of the Act, that the electricity distribution licenses of Dutton Hydro and Newbury Power be canceled and, pursuant to section 74 of the Act, that its distribution licence be amended to include in its service area the areas currently served by Dutton Hydro and Newbury Power. The closing date for the proposed transactions is March 31, 2009.

Middlesex Power is wholly owned by Chatham-Kent Energy Inc. The Municipality of Chatham-Kent and Corix Utilities own 90% and 10% of the shares of Chatham-Kent Energy Inc. respectively. Dutton Hydro is wholly owned by the Municipality of Dutton/Dunwich. The Village of Newbury holds 80% of the shares of Newbury Power, and Newbury Community Services owns 20% of the shares of Newbury Power. Middlesex Power, Dutton Hydro, Newbury Power and their respective shareholders are parties to the proposed transaction.

Upon completion of the proposed transactions, Middlesex Power will purchase 100% of the issued and outstanding shares of Dutton Hydro and Newbury Power and the two electrical distribution companies will be merged into Middlesex Power.

Middlesex Power has stated that the proposed acquisitions will improve the reliability and quality of electricity service and will result in lower rates for Dutton Hydro and Newbury Power customers in the long term.

Middlesex Power states that the purchase price for acquiring shares of Dutton Hydro is expected to be approximately \$490,000. The purchase price for acquiring shares of Newbury Power is approximately \$163,350.

Middlesex Power states that as part of its transaction with the Village of Newbury, it expects to issue a Long Term Note payable to The Village of Newbury in the amount of \$71,900 will be paid upon completion of the proposed transaction. Middlesex Power expects to incur approximately \$45,000 in transaction costs to complete the proposed transactions.

Currently, the rates charged for the delivery of electricity to customers in Middlesex Power, Dutton Hydro and Newbury Power service areas are not equal. The application states that Middlesex Power will seek to harmonize rates within 5 years from the date of closing the proposed transactions. The Board's policy (Distributor Consolidation EB-2007-0028) permits a merged utility to forego rebasing for a period of 5 years following the closing date of the transaction. Middlesex Power states that it plans to file for rate rebasing on a merged basis in 2014.

How to see the Application

Copies of the application are available for inspection at the Board's office in Toronto, and at the offices of Middlesex Power, Dutton Hydro and Newbury Power.

How to Participate

You may participate in this proceeding in one of three ways:

1. Send a Letter with your Comments to the Board

Your letter with comments will be provided to the Board members deciding the application, and will be part of the public record for the application. Your letter must be received by the Board no later than **30 days** from the publication or service date of this notice. The Board accepts letters of comment by either post or e-mail at the addresses below.

2. Become an Observer

Observers do not actively participate in the proceeding but monitor the progress of the proceeding by receiving documents issued by the Board. You may request observer status in order to receive documents issued by the Board in this proceeding. If you become an observer, you need to contact the applicants and others in order to receive documents that they file in this proceeding and they may charge you for this. Most documents filed in this application will also be available on the Board's website. Your request for observer status must be made in writing and be received by the Board no later than **10 days** from the publication or service date of this notice. The Board accepts observer request letters by either post or e-mail at the addresses below; however, two paper copies are also required. You must also provide a copy of your letter to the applicants.

3. Become an Intervenor

You may ask to become an intervenor if you wish to actively participate in the proceeding. Intervenor are eligible to receive evidence and other material submitted by participants in the hearing. Likewise, intervenors will be expected to send copies of any material they file to all parties to the hearing. Your request for intervenor status must be made by letter of intervention and be received by the Board no later than **10 days** from the publication or service date of this notice. Your letter of intervention must include a description of how you are, or may be, affected by the outcome of this proceeding; and if you represent a group, a description of the group and its membership. The Board may order costs in this proceeding. You must indicate in your letter of intervention whether you expect to seek costs from the applicants and the grounds for your eligibility for costs. You must provide a copy of your letter of intervention to the applicants.

The Board may proceed in this matter by way of a written hearing or an oral hearing. The Board will not hold a written hearing if a party satisfies the Board that there is good reason for holding an oral hearing. Your letter of intervention should indicate your preference for a written or oral hearing, and the reasons for that preference.

If you already have a user ID, please submit your intervention request through the Board's web portal at www.eroeb.gov.on.ca. Additionally, two paper copies are required. If you do not have a user ID, please visit the Board's website under e-filings and fill out a user ID password request. For instructions on how to submit and naming conventions please refer to the RESS Document Guidelines found at www.oeb.gov.on.ca, e-Filing Services. The Board also accepts interventions by e-mail, at the address below, and again, two additional paper copies are required. Those who do not have internet access are required to submit their intervention request on a CD or diskette in PDF format, along with two paper copies.

How to Contact Us

In responding to this Notice, please include Board file number EB-2008-0332 and EB-2008-0350 in the subject line of your e-mail or at the top of your letter. It is also important that you provide your name, postal address and telephone number and, if available, an e-mail address and fax number. All communications should be directed to the attention of the Board Secretary at the address below, and be received no later than 4:45 p.m. on the required date.

Need More Information?

Further information on how to participate may be obtained by visiting the Board's website at www.oeb.gov.on.ca or by calling our Consumer Relations Centre at 1-877-632-2727.

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Tel: 1-888-632-6273 (toll free)
Fax: 416-440-7656

The Applicants:

Middlesex Power Distribution Corporation
351 Frances St.
Strathroy, ON N7G 2L7

Jim Hogan
Chief Financial Officer

E-mail: jimhogan@ckenergy.com
Phone: 519-352-6300 (277)
Fax: 519-351-4059

Dutton Hydro Limited

199 Main Street, PO Box 29
Dutton ON N0L 1J0
Ken Loveland, Secretary-Treasurer
E-mail: jimhogan@ckenergy.com
Phone: 519-762-2717
Fax: 519-762-3739

Newbury Power Inc.

22910 Hagerty Road
Newbury ON N0L 1Z0
Dianne Brewer, Director
E-mail: newburypinc@oiaibn.com
Phone: 519-693-4941
Fax: 519-693-4340

DATED at Toronto, October 30, 2008.

ONTARIO ENERGY BOARD

Original signed by
Kirsten Walli
Board Secretary

NOTICE OF APPLICATION AND HEARING

MIDDLESEX POWER DISTRIBUTION CORPORATION



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Filings: www.errr.oeb.gov.on.ca
E-mail: Boardsec@oeb.gov.on.ca

Tel: 1-888-632-6273 (toll free)
Fax: 416-440-7656

The Applicants:

Middlesex Power Distribution Corporation
351 Frances St.
Strathroy, ON N7G 2L7

Jim Hogan
Chief Financial Officer

E-mail: jimhogan@ckenergy.com
Phone: 519-352-6300 (277)
Fax: 519-351-4059

Dutton Hydro Limited

199 Main Street, PO Box 29
Dutton ON N0L 1J0

Ken Loveland
Secretary-Treasurer

E-mail: kloveland@duttondunwich.on.ca
Phone: 519-762-2717
Fax: 519-762-3739

Newbury Power Inc.

22910 Hagerty Road
Newbury ON N0L 1Z0

Dianne Brewer
Director

E-mail: newburypinc@on.albn.com
Phone: 519-693-4941
Fax: 519-693-4340

DATED at Toronto, October 30, 2008.

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli, Board Secretary