



EB-2008-0329

NOTICE OF APPLICATION

Applications by Hydro One Networks Inc. and Cornwall Street Railway Light and Power Limited for Licence Amendments, Sale of Distribution Assets; and Requests for Interim Exemptions from Section 6.5.4 of the Distribution System Code

The Application

Hydro One Networks Inc. ("Hydro One") and Cornwall Street Railway Light and Power Company Limited ("Cornwall Electric") have filed a joint application with the Ontario Energy Board under the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B, for an order of the Board:

- amending the applicants' distribution service areas to reflect the transfer of 10 customers from Hydro One to Cornwall Electric;
- approving the sale of distribution assets necessary in serving the public from Hydro One to Cornwall Electric; and
- granting the applicants interim exemptions from section 6.5.4 of the Distribution System Code.

The Board has assigned file number EB-2008-0329 to the application. The application will be decided by Counsel, Special Projects, who has been delegated this authority pursuant to section 6 of the Act.

Section 6.5.4 of the Distribution System Code

Section 6.5.4 of the Distribution System Code (the "DSC") requires distributors to eliminate long term load transfers ("LTLT") before January 31, 2009. A LTLT is a situation in which a customer is within one distributor's service area but is actually served electricity from a second distributor. The applicants have stated that the service area amendments and the sale of the distribution assets that are the subject of this

application are being sought in order to eliminate 29 LTLTs between Hydro One and Cornwall Electric. The interim exemption from section 6.5.4 of the DSC is being sought in order to maintain a LTLT for 19 customers past the January 31, 2009 deadline.

Service Area Amendments

The proposed service area amendment will expand Cornwall Electric's service area to include 9 customers located on Warner Drive and Sixsmith Road, lots 26 and 27, concession 3, and 1 customer located on Cornwall Centre Road, lot 23, concession 3.

The customers located at the above noted locations are currently within Hydro One's service area. The proposed amendments, if granted, will result in these customers becoming customers of Cornwall Electric.

Sale of Distribution Assets

Hydro One is seeking approval to sell part of its distribution system that is useful in serving the public to Cornwall Electric. Cornwall Electric will purchase these assets from Hydro One for net book value. The assets will continue to be used to serve the customers that are currently being served using the assets.

Interim Exemption from Section 6.5.4 of the DSC

As stated above, the DSC set January 31, 2009, as the date by which load transfer arrangements between electricity distributors must be eliminated.

Cornwall Electric seeks an exemption for a period of up to one year to maintain its LTLT arrangements with Hydro One with respect to 19 Cornwall Electric customers currently supplied by Hydro One. The customers are located on:

- The south side of Cornwall Centre Road between Power Dam Road to the west, and Hight 401 to the east, lots 15 through 18, concession 3
- Power Dam Drive between Centre Road to the north and the Canadian National Rail crossing to the south, lots 18 and 19, concession 3.

The application also states that Cornwall Electric is planning to expand its distribution system to connect its LTLT customers and serve them directly.

How to See the Application

A copy of the application and related documents are available for inspection at the Board's offices in Toronto and on its website, www.oeb.gov.on.ca. A copy can also be viewed at Hydro One and Cornwall Electric offices at the addresses indicated below.

How to Participate in the Hearing

The application will be decided by way of written hearing unless a party satisfies the Board that there is good reason for holding an oral hearing. If you object to a written hearing in this matter, you must provide written reasons why an oral hearing is necessary. Any objections to a written hearing must be received by the Board and copied to the applicant within 10 days of the date this notice was served.

If you wish to participate in the written hearing, please file a written submission setting out your views on the application. You must forward three paper copies, and if possible, an electronic copy in Word format and in searchable PDF format, of your submission to the Board and one copy to the applicant at the addresses below. All submissions must be received no later than 21 days after the date this notice was served. If Hydro One or Cornwall Electric wish to respond to the submissions, such response must be filed with the Board and copied to any party that made submissions no later than 28 days after the date this notice was served.

All submissions must quote file no. EB-2008-0329, and clearly state the sender's name, postal address, telephone number, fax number and e-mail address. 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 Web site at www.oeb.gov.on.ca or by calling our Consumer Relations Centre at 1-877-632-2727.

IMPORTANT

IF YOU DO NOT FILE AN OBJECTION TO A WRITTEN HEARING OR DO NOT PARTICIPATE IN THE HEARING BY FILING A SUBMISSION 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

The Board

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

Tel: 1-877-632-2727 (toll free)
Fax: 416-440-7656
E-mail: Boardsec@oeb.gov.on.ca

The Applicants

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483 Bay Street
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Attention: Mr. Andrew Skalski

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Cornwall Street Railway Light and Power
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Attention: Mr. Doug Bradbury

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DATED at Toronto November 11, 2008.

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary