

Ontario Energy Board
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Commission de l'Énergie de l'Ontario
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November 1, 2000

BY FAX ONLY

To: Hydro One Inc.
Ontario Power Generation Inc.
Registered Parties to RP-1999-0036
Licenced Distributors

Dear Sir/Madam:

Re: Filing Deadline for Applications for Mergers, Acquisitions, Amalgamations and Divestitures in Compliance with O. Reg 524/00

The Ontario Energy Board (the "Board") is providing the attached document to define what constitutes filing an application for a Merger, Acquisition, Amalgamation and Divestiture transaction with the Board before November 7, 2000 for parties wishing to file such an application in compliance with the Ministry of Finance's O. Reg 524/00 filed on September 22, 2000. The criteria for filing an application are based on the Board's established Rules of Practice and Procedure.

Parties should also consult Ontario Regulation 524/00, which is administered by the Ministry of Finance, with regards to the full criteria for qualifying for the exemption from transfer tax. The attached document also provides addresses for the Ministry of Finance's Web site, where O. Reg 524/00 and associated documents can be obtained. The Board will not be making any determination on whether or not the transaction qualifies for this exemption. That will be a matter between the applicant(s) and the Ministry of Finance.

Yours truly,

A handwritten signature in cursive script that reads "Paul B. Pudge".

Paul B. Pudge
Board Secretary

Attachment

**Deadline to File MAAD Applications with the Ontario Energy Board
in compliance with O. Reg 524/00**

Mergers, acquisitions, amalgamations and divestitures (MAAD) involving municipal electricity utilities and the successors of Ontario Hydro are exempt from transfer tax in accordance with ss. 94(7) of the Electricity Act, 1998 (the Act). Subsection 94(7) of the Act is repealed on November 7, 2000.

On September 22, 2000, the Minister of Finance filed O. Reg 524/00, which amends O. Reg. 124/99. Subsection 3(17) of amended O. Reg. 124/99 states that ss. 94(1) of the Act does not apply to transfers in subsection 3(16) if an application for approval of the transfer is made to the Ontario Energy Board (the "Board") before November 7, 2000 and if a written agreement to make the transfer is complete before November 7, 2000 and is not materially changed after that date.

Compliance with the Act and O. Reg. 524/00 is a matter between the applying parties and the Ministry of Finance. As of October 19, 2000, this has been noted in letters of acknowledgment sent to applicants upon the Board's receipt of an application.

The Board offers the following information as to what would constitute having made an application to the Ontario Energy Board before November 7, 2000. "[B]efore November 7, 2000" would effectively mean November 6, 2000 or earlier.

The date when a document is considered filed will be determined in accordance with the Board's "Rules of Practice and Procedure" (1997 February 1). Rule 11 ("Filing of Documents"), and specifically Rules 11.03 and 11.05 deal with this matter.

The Rules state the following:

- 11.03 All documents filed shall be date stamped when received at the Board's office, and any document received after **4:45 p.m.** or on a holiday shall be considered filed on the next working day.
- 11.05 Where a filing is made by fax or electronic transmission, the original and all copies required shall be filed **by 10:00 a.m.** the next day, or as directed by the Board. [Emphasis in original.]

For a document to be considered filed with the Board on Monday, November 6, 2000, it must meet one of the following conditions:

- a) The application is received in hard copy at the Board's offices by 4:45 p.m. on Monday, November 6, 2000; or
- b) The application is made to the Board electronically or by facsimile transmission, with a date and time stamp of no later than 11:59 p.m. on November 6, 2000, to be followed up by the hard copy original and copies received at the Board's offices by 10:00 a.m. on Tuesday, November 7, 2000.

The Board's reception will remain open until 4:45 p.m. on Monday, November 6, 2000 to receive applications.

Applications for MAAD transactions should be in compliance with the Board's "Preliminary Filing Requirements for Mergers, Acquisitions, Amalgamations and Divestitures in the Ontario Electricity Transmission and Distribution Sector" (the "Filing Requirements"). Not all sections of the Filing Requirements may apply, depending on the nature of the transaction and on the parties involved. The Board may subsequently request additional information.

The Board's documents "Rules of Practice and Procedure" and "Preliminary Filing Requirements for Mergers, Acquisitions, Amalgamations and Divestitures in the Ontario Electricity Transmission and Distribution Sector" are available from the Board's Web site <http://www.oeb.gov.on.ca/english/home.htm> under Codes/Rules/Guidelines. Parties wishing further information should contact the Board Secretary at 1-800-632-6273 or (416) 481-1967.

Further information regarding O. Reg. 524/00 is available from the Ministry of Finance's Web site at the following addresses:

<http://www.gov.on.ca/FIN/english/ro52400e.htm>

<http://www.gov.on.ca/FIN/english/regbull.htm>

<http://www.gov.on.ca/FIN/english/r524bulle.htm>