



RP-2003-0044

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

AND IN THE MATTER OF applications by Centre Wellington Hydro, Veridian Connections Inc., EnWin Powerlines Ltd., Erie Thames Powerlines Corp., Chatham-Kent Hydro Inc., Essex Powerlines Corp., Cooperative Hydro Embrun Inc. and Hydro One Networks Inc. pursuant to subsection 74(1) of the *Ontario Energy Board Act, 1998* to amend Schedule 1 of their Transitional Distribution Licences.

PROCEDURAL ORDER NO. 4

Applications have been filed with the Ontario Energy Board (the "Board") pursuant to subsection 74(1) of the Ontario Energy Board Act, 1998, S.O. 1998, c.15 (Schedule B), by the following nine distributors for amendments to their licensed service area. These applicants and the Board's assigned file numbers are listed below:

Centre Wellington Hydro	EB-1999-0269
Veridian Connections Inc. (1)	EB-1999-0260
Enwin Powerlines Ltd.	EB-1999-0281
Erie Thames Powerlines Corp.	EB-2002-0462
Chatham-Kent Hydro Inc.	EB-1999-0216
Essex Powerlines Corp.	EB-2002-0524
Cooperative Hydro Embrun Inc.	EB-2002-0482
Veridian Connections Inc. (2)	EB-2003-0020
Hydro One Networks Inc.	EB-2003-0031

Notices of Application have been published for all nine applications. Due to the similar policy questions which arise in each of these applications, the Board decided in Procedural Order #1, issued March 28, 2003, to combine these proceedings into one oral hearing proceeding.

Item 5 of that Procedural Order scheduled an Issues Conference and Issues Day for the purpose of defining a set of issues relating to service area amendment applications. The Issues Conference was held on Wednesday April 30, 2003 and a Proposed Issues List was developed and accepted by all parties. The Board panel accepted the Proposed Issues List and the Issues Day scheduled for May 2, 2003 was cancelled. The attached Issues List has been approved for this Proceeding.

Bullet No.2 of Issue No.1 deals with a preliminary jurisdictional issue that the Board understands is important to Hydro One Networks and other parties. This Order makes provision for the hearing of submissions related to that issue.

Other procedural orders may be issued from time to time.

THE BOARD ORDERS THAT:

- 1 The Issues List attached to this Procedural Order constitutes the Issues List for the Combined Proceeding.
- 2 Hydro One Networks shall file with the Board a clear statement of the jurisdictional issue, including all relevant legislative references. Hydro One shall provide a copy of this statement to all parties to the Combined Distribution Service Area Amendment Proceeding. This material is to be filed and copied to all parties no later than May 8, 2003.
- 3 Parties who wish to participate in the argument relating to the jurisdictional issue are requested to file written submissions and the authorities upon which they intend to rely with the Board and copy them to all parties to the Combined Proceeding by May 15, 2003. The Board's consideration of the jurisdictional issue would be greatly assisted by the opportunity to read such material in advance of the hearing of that issue.
- 4 An oral hearing to hear arguments relating to the jurisdictional issue will be held in the Board's hearing room at 2300 Yonge St., 25th Floor, in Toronto on Tuesday, May 20, 2003 commencing at 9:30 am.
- 5 In recognition of the scheduling of the hearing of the jurisdictional issue, the filing date of May 15, 2003 set out in Procedural Order No.1 for applicants' submission of additional evidence is changed to May 29, 2003.
- 6 All filings to the Board **must be in the form of one electronic copy, in WordPerfect or Word**

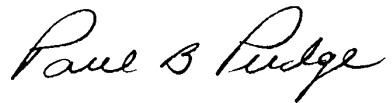
format, and 6 hard copies, to be received by the Board by 4:45 p.m. on the stated dates.

ISSUED at Toronto, May , 2003.

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ONTARIO ENERGY BOARD

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

Paul B. Pudge
Board Secretary

ISSUES LIST

1. CUSTOMER PREFERENCE

- What weight should customer preference be given in the Board's consideration of service area amendments? Should there be any difference in the treatment of amendment applications relating to either new or existing customers?
- What are the limits of the Board's jurisdiction with respect to existing customers in service area amendment applications?
- What weight should current rates have in the consideration of service area amendments?

2. IMPACT ON CUSTOMERS IN THE AMENDMENT AREA

- Service area amendments can have impacts on existing and future customers, including end-use consumers, in the "amendment area" with respect to prices and the reliability and quality of electricity service. What are these impacts, how should they be measured and what weight should they be given with respect to determinations on service area amendments?

3. IMPACT ON DISTRIBUTORS AND THEIR CUSTOMERS

- Service Area amendments can have impacts on the applicant and incumbent distributor and their existing and future customers, as well as on other distributors and their customers. What are these impacts, how should they be measured and what weight should they be given with respect to determinations of service area amendments?

4. OVERLAPPING SERVICE AREAS

- Should the Board consider the granting of service area amendments which result in overlapping service areas? If so, under what conditions and to what degree? What are the advantages and disadvantages of such an approach? Who has the obligation to connect?

5. FILING AND PROCESS REQUIREMENTS

- What are the filing requirements for a service area amendment application?
- How can service area amendments be processed expeditiously and cost effectively?
- What considerations, if any, other than the objectives set out in the OEB Act should be taken into account in determining service area amendment applications?