



EB-2008-0381

NOTICE OF COMBINED PROCEEDING AND NOTICE OF HEARING

TO EXAMINE OUTSTANDING ISSUES WITH RESPECT TO HISTORICAL VARIANCES ARISING FROM THE RECORDING OF PAYMENTS IN LIEU OF TAXES ("PILs") BY ELECTRICITY DISTRIBUTORS SUBJECT TO SECTION 93 OF THE *ELECTRICITY ACT, 1998*

Pursuant to sections 78, 19 (4) and 21 (5) of the *Ontario Energy Board Act, 1998*, the Ontario Energy Board has commenced a proceeding on its own motion to determine the accuracy of the final account balances with respect to account 1562 Deferred PILs (for the period October 1, 2001 to April 30, 2006) for certain applicants that filed 2008 and 2009 distribution rate applications with the Board. The results of this proceeding may also have an impact on balances in other accounts, such as 1563 Contra - Deferred PILS, or 1592 PILS for 2006 and Subsequent Years.

As previously announced in a March 3, 2008 letter to all licensed distributors, the Board will make findings in the combined proceeding on the methodology and the disposition of account 1562 Deferred PILs balances for the subject applications. The Board file number for this proceeding has now been updated to EB-2008-0381.

Going forward, it is the Board's expectation that the decision on the combined proceeding will be used to establish the best evidence, forum and process to determine final account balances with respect to account 1562 Deferred PILs for the remaining distributors. The Board intends to proceed with the review and disposition of the account 1562 Deferred PILs balances for all distributors shortly after the completion of this proceeding.

A number of distributors who filed cost of service applications for 2008 and 2009 distribution rates, have requested the disposition of account 1562 Deferred PILs. Distributors have used a variety of methods to record balances in account 1562 in each of the years 2001-2006. The Board intends to confirm the methodology that should be used for the calculation and disposition of these balances.

The Process

To confirm the methodology, the Board will combine into one proceeding that part of the 2008 and 2009 rate applications for three specific utilities dealing with the request for disposition of account 1562. The list of distributors that originally applied for disposition of account 1562 is attached as Schedule A. The Board has determined that the following three distributors should submit or re-file their specific evidence on the disposition of account 1562, to assist the Board in this matter:

ENWIN Utilities Ltd.	Rate Filing No.	EB-2008-0227
Halton Hills Hydro Inc.	Rate Filing No.	EB-2007-0696
Barrie Hydro Distribution Inc.	Rate Filing No.	EB-2007-0746

A Board staff discussion paper summarizing the principles established by the Board to date with respect to the determination of the account 1562 balances was issued on August 20, 2008. The staff discussion paper also identified matters that Board staff believes are outstanding and may require clarification.

The Board will formally begin this proceeding by receiving Account 1562 evidence from the above-noted distributors. The Board will then receive any written submissions on the issues raised in the staff discussion paper and then convene a transcribed technical conference for the purpose of reviewing the outstanding matters and to allow Applicants and other parties an opportunity to add to the evidentiary record. Following the technical conference, the Board will determine the next steps in the proceeding.

The Board will issue a decision (possibly accompanied by a model) confirming the methodology to be used by all distributors for the calculation of balances in account 1562. The three above-noted Applicants will then be directed to re-file their account balances as determined by the final methodology. The Board contemplates receiving written submissions on these filings before issuing a final decision on these balances.

A procedural order will be issued shortly establishing the key dates for each phase of this proceeding.

Interventions

All parties who are registered as intervenors in any of the 2008 or 2009 distribution rate applications are granted intervenor status in the combined proceeding. The list of intervenors who have been granted intervenor status at this time is attached as Schedule B to this notice. The Board will issue an updated list of parties once the final list has been determined.

Costs

The Board may order costs in this proceeding. Any costs awarded in this proceeding shall be paid by all rate-regulated electricity distributors that are required to pay PILs taxes under section 93 of the *Electricity Act, 1998*. Cost awards will not be recovered from distributors whose rates are not currently fixed or approved by the Board (namely Cornwall Street Railway, Light and Power Company Ltd. and Dubreuil Forest Products Ltd.) or from distributors that are not subject to PILs under section 93 of the *Electricity Act, 1998* (namely, Attawapiskat Power Corporation, Fort Albany Power Corporation, Kashechewan Power Corporation, Hydro One Remote Communities Inc., Hydro One Networks Inc., Great Lakes Power Ltd. and Canadian Niagara Power Inc.).

Any costs awarded by the Board will be allocated to distributors who are to pay the cost awards based on distribution revenues.

How to Participate

Become an Intervenor

If you are not an intervenor as described in the paragraph “Interventions” above, you may request intervenor status if you wish to actively participate in the proceeding. Your request must be made by letter of intervention received 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 proceeding; and if you represent a group, a description of the group and its membership.

If you are requesting intervenor status, you must indicate in your letter of intervention whether you expect to seek costs from distributors and the grounds for your eligibility for costs. You must provide a copy of your letter of intervention to all rate-regulated electricity distributors minus the distributors specifically exempted from payment above.

If you already have a user ID, please submit your intervention request through the Board's web portal at www.errr.oeb.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.

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.

How to contact us

In responding to this notice please reference Board file number EB-2008-0381. It is also important that you provide your name and postal address and, if available, an 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.

IMPORTANT

IF YOU DO NOT REQUEST TO PARTICIPATE IN THIS PROCEEDING IN ACCORDANCE WITH THIS NOTICE, THE BOARD MAY PROCEED IN YOUR ABSENCE AND YOU WILL NOT BE ENTITLED TO ANY FURTHER NOTICE IN THIS PROCEEDING.

Address

The Ontario Energy Board:

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

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

DATED at Toronto, November 28, 2008

ONTARIO ENERGY BOARD

Original Signed By

Kirsten Walli
Board Secretary

Schedule A

List of Applicants

Dated: November 28, 2008

EB-2008-0381

EB-2008-0381
PILs Combined Proceeding
LIST OF APPLICANTS

Dated: November 28, 2008

Applicants	Rep. And Address for Service
1. <u>Halton Hills Hydro Inc. – EB-2207-0696</u>	Ms. Tracy Rawlingson Halton Hills Hydro Inc. 43 Alice Street Acton ON L7J 2A9 Tel: 519 853-3700 Fax: Not Provided Email: tracyr@haltonhillshydro.com
2. <u>Hydro Ottawa Limited – EB-2007-0713</u>	Ms. Lynne Anderson Chief Regulatory Affairs & Government Relations Officer Hydro Ottawa Holding Inc. 3025 Albion Road North P.O. Box 8700 Ottawa Ontario K1G 3S4 Tel: 613 738-5499, ext. 527 Fax: 613 738-5485 Email lynneanderson@hydroottawa.com
AND (COUNSEL)	Fraser Milner Casgrain LLP Suite 3900 1 First Canadian Place 100 King Street West Toronto ON M5X 1B2 Fax: 416 863-4592 Mr. Jerry Farrell Tel: 416 863-4384 Email: jerry.farrell@fmc-law.com Ms. Helen T. Newland Tel: 416 863-4471 Email : helen.newland@fmc-law.com

3. Sioux Lookout Hydro Inc. –
EB-2007-0785

Ms. Deanne Kulchyski
Financial & Regulatory Affairs Officer
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4. Oshawa PUC Networks Inc.–
EB-2007-0710

Mr. Michael Chase
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AND (COUNSEL)

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5. Barrie Hydro Distribution Inc. –
EB-2007-0746

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Manager of Regulatory Affairs
& CDM
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6. Wellington North Power Inc.–
EB-2007-0693 Ms. Judy Rosebrugh
Secretary-Treasurer/Administrator
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7. Rideau St. Lawrence Distribution
Inc. – EB-2007-0762 Mr. John Walsh
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- AND (COUNSEL)
- Mr. Patrick Moran
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8. Newmarket-Tay Power
Distribution Ltd.-
EB-2007-0776 Mr. Iain Clinton, CA
Chief Financial Officer
Newmarket - Tay Power Distribution Ltd.
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9. ENWIN Utilities Ltd.-
EB-2008-0227

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Schedule B

List of Intervenors

Dated November 28, 2008

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EB-2008-0381
PILs Combined Proceeding
LIST OF INTERVENORS

Dated: November 28, 2008

Intervenors	Rep. And Address for Service
1. School Energy Coalition (Schools)	Mr. Bob Williams Schools Co-ordinator Ontario Education Services Corporation c/o Ontario Public School Boards' Association 439 University Avenue, 18th Floor Toronto ON M5G 1Y8 Tel: 416 340-2540 Fax: 416 340-7571 Email: bwilliams@opsba.org
AND	Mr. Jay Shepherd Counsel for Schools Shibley Righton LLP Barristers and Solicitors 700 - 250 University Avenue Toronto ON M5H 3E5 Tel: 416 214-5224 Fax: 416 214-5424 Email: jay.shepherd@shibleyrighton.com
AND	Mr. John De Vellis Counsel for Schools Shibley Righton LLP Barristers and Solicitors 700 - 250 University Avenue Toronto ON M5H 3E5 Tel: 416 214-5232 Fax: 416 214-5432 Email: john.devellis@shibleyrighton.com
AND	Ms. Rachel Chen Principal Consultant (Schools) Institutional Energy Analysis, Inc. 250 University Avenue, Suite 700 Toronto ON M5H 3E5 Tel: 416 214-5218 Fax: 416 214-5418 Email: rachel.chen@ieai.ca

2. Vulnerable Energy Consumers
Coalition
(VECC)

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AND

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3. Consumers Council of Canada

Mr. Robert B. Warren
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AND

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4. Energy Probe

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- AND
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5. Hydro One Networks Inc.
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6. Pollution Probe Foundation
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- AND
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- AND
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7. PowerStream Inc. Ms. Sarah Griffiths
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8. Association of Major Power Consumers of Ontario Mr. Adam White
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