



EB-2009-0015

NOTICE OF APPLICATION AND WRITTEN HEARING

Application by West Coast Huron Energy Inc. and Hydro One Networks Inc. for Licence Amendments

The Application

West Coast Huron Energy Inc. ("West Coast Huron") and Hydro One Networks Inc. ("Hydro One") 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 to amend the distribution service areas of West Coast Huron and Hydro One to reflect the transfer of one customer from West Coast Huron to Hydro One.

The Board has assigned file number EB-2009-0015 to the application. The application will be decided by the Counsel, Special Projects, who has been delegated this authority pursuant to section 6 of the Act. The Counsel, Special Projects, does not intend to provide for an award of costs when deciding this application.

Section 6.5.4 of the Distribution System Code

Section 6.5.4 of the Distribution System Code (the "DSC") deals with long term load transfer ("LTLT") arrangements. A load transfer is a situation in which a customer is located in the licensed service area of one distributor (the "geographic distributor") but is physically served electricity by another distributor (the "physical distributor"). Section 6.5.4 of the DSC requires geographic distributors to eliminate their LTLT arrangements before January 31, 2009. This can be accomplished by either negotiating the transfer of the customers to the physical distributor or by the geographic distributor extending its system to connect the customers.

Service Area Amendments

According to the application, the service area amendments are being sought in order to

eliminate an LTLT arrangement between West Coast Huron and Hydro One through the transfer of one customer from the geographic distributor, West coast Huron to the physical distributor, Hydro One. The applicants state that since Hydro One has the existing facilities and is already serving the customer, it would not be cost effective for West Coast Huron to incur significant capital costs to build duplicate facilities, nor would it be sensible for the affected customer to bear these capital costs.

Presently, the customer is considered a West Coast Huron customer and is being charged West Coast Huron's rates. The proposed amendments, if granted, will result in this customer becoming a customer of Hydro One and being subject to higher distribution rates. The customer is located within the Town of Goderich with a civic address of 345 Mill Road, Goderich.

The applicants propose to mitigate the impact of the rate increase by following the methodology prescribed by the Board in its decision on similar applications from Hydro One/Whitby Hydro Electric Corporation and Hydro One/Peterborough Distribution (EB-2007-0917 and EB-2007-0947). Based on this methodology, if the application is approved, the new Hydro One customer will be charged Hydro One's rates. However, Hydro One will establish a credit for this customer. The credit will be applied to the customer's account in equal installments over the course of a year beginning with the first bill after implementation of the Board's Order. The credit will be equivalent to one-half of one year's increase on the delivery portion of the bill (based on the customer's previous 12 months' consumption and the rates in effect at the time of the Board's decision and order).

How to See West Coast Huron and Hydro One's Pre-filed Evidence

Copies of the application and the pre-filed evidence in support of the application will be available for public inspection at the Board's offices at the address indicated below. Copies can also be viewed at West Coast Huron and Hydro One 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 applicants 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 with the Board and deliver it to the applicants no later than 21 days after the date this notice was served.

If the applicants wish to respond to the submission(s), the written response must be filed with the Board and delivered to any party that made submissions no later than 28 days after the date this notice was served.

How to File Documents with the Board

If you already have a user ID, please submit your submission through the Board's web portal at www.errr.oeb.gov.on.ca. Additionally, two paper copies are required. For instructions on how to file and naming conventions, please refer to the RESS Document Guidelines found at www.oeb.gov.on.ca, e-Filing Services. Those who do not have internet access are asked to submit their submission on a CD or diskette in PDF format, along with two paper copies. You may also send your submission by post or e-mail to the addresses below.

In responding to this Notice, please include Board file number EB-2009-0015 in the subject line of your e-mail or at the top of your document. 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 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 IF YOU DO NOT FILE A WRITTEN SUBMISSION IN ACCORDANCE WITH THIS NOTICE, THE BOARD MAY PROCEED WITHOUT YOUR PARTICIPATION AND YOU WILL NOT BE ENTITLED TO FURTHER NOTICE IN THE PROCEEDING.

Addresses

The Board

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The Applicants

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DATED at Toronto January 21, 2009

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary