



EB-2013-0078
EB-2013-0079
EB-2013-0080

NOTICE OF APPLICATIONS AND HEARING

APPLICATION BY B2M LIMITED PARTNERSHIP FOR AN ELECTRICITY TRANSMITTER LICENCE;

APPLICATION BY HYDRO ONE NETWORKS INC. FOR LEAVE TO SELL CERTAIN TRANSMISSION ASSETS TO B2M LIMITED PARTNERSHIP; AND

APPLICATION BY SON LP CO. FOR LEAVE TO ACQUIRE UP TO A 30% PARTNERSHIP INTEREST IN B2M LIMITED PARTNERSHIP

The Applications

B2M Limited Partnership (“B2M LP”), Hydro One Networks Inc. (“HONI”) and SON LP Co. (collectively, the “Applicants”) filed three separate but related applications dated March 28, 2013 with the Ontario Energy Board (“the Board”). Specifically:

1. B2M LP applied for an electricity transmitter licence under section 60 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B) (the “Act”). (**EB-2013-0078**);
2. HONI applied for leave of the Board to sell certain transmission assets to B2M LP under section 86(1)(b) of the Act (**EB-2013-0079**); and
3. SON LP Co. applied for leave of the Board to acquire up to a 30% partnership interest in B2M LP under section 86(2) of the Act. (**EB-2013-0080**).

The Board will consider these applications (the “Applications”) together in a consolidated proceeding.

The purpose of the Applications is to allow the Saugeen Ojibway Nation (the “SON”) to acquire up to a 30% ownership interest in certain electricity transmission assets located between HONI’s Bruce and Milton transmission stations (the “Bruce to Milton Assets”). HONI seeks approval to sell the Bruce to Milton Assets to B2M LP, a limited partnership

owned by Hydro One Inc. through wholly owned subsidiaries. B2M LP would become a licensed electricity transmitter for the purpose of owning and operating the Bruce to Milton Assets. Thereafter, a corporation owned and controlled by the SON, SON LP Co., would acquire up to a 30% ownership interest in B2M LP; the remaining 70% would be held indirectly by Hydro One Inc. through its wholly owned subsidiaries.

The Bruce to Milton Assets are two 500 kV transmission circuits, including 717 steel-lattice transmission towers, and certain rights to HONI's existing transmission corridor on which the circuits are located. The transmission line runs from Kincardine to Milton (approximately 180 kms).

According to the Applications, there will be no impact on reliability or quality of supply as a result of the proposed transactions as HONI will remain the party primarily responsible for the ongoing operation and management of the Bruce to Milton Assets. The Applications also indicate that HONI and SON have applications before federal and provincial authorities in relation to their tax positions. According to the Applications, the proposed transactions will not proceed unless favorable tax rulings are obtained.

Application of Section 86(2) of the Act

SON LP Co.'s application for leave to acquire up to a 30% ownership interest in B2M LP is made under section 86(2) of the Act which states:

No person, without first obtaining an order from the Board granting leave, shall,

- (a) acquire such number of voting securities of a transmitter or distributor that together with voting securities already held by such person and one or more affiliates or associates of that person, will in the aggregate exceed 20 per cent of the voting securities of the transmitter or distributor; or**
- (b) acquire control of any corporation that holds, directly or indirectly, more than 20 per cent of the voting securities of a transmitter or distributor if such voting securities constitute a significant asset of that corporation. 1998, c. 15, Sched. B, s. 86 (2).**

The Board will consider the extent to which section 86(2) applies to the acquisition of a partnership interest as contemplated in the proposed transactions.

How to see the Applications

To see a copy of the Applications, go to the Consumer page of the Board's website and enter the Board assigned file numbers (**EB-2013-0078, EB-2013-0079 or EB-2013-**

0080) in the “Find an Application” box. A copy can also be seen at the Board’s office and at HONI’s office at the addresses indicated below, or on HONI’s website www.HydroOne.com.

Written Hearing

The Board intends to proceed with this matter by way of a written hearing unless a party satisfies the Board that there is a good reason for not holding a written hearing. If you object to a written hearing, you must provide written reasons why you believe an oral hearing is necessary. Any submissions objecting to a written hearing must be received by the Board and copied to the Applicants within **10 days** of the publication or service date of this notice.

How to Participate

Comment

If you wish to give your opinion on the proceeding to the Board Members hearing the Applications, you are invited to send a written letter of comment to the Board no later than **30 days** after the publication or service date of this notice. A complete copy of your letter of comment, including your name, contact information, and the content of the letter, will be provided to the Applicants and the Hearing Panel.

Observe

If you do not wish to actively participate in the proceeding but you do wish to receive documents issued by the Board, you may request observer status. Your written request must be received by the Board no later than **10 days** from the publication or service date of this notice.

Personal Information in Letters of Comment and Observer Requests

All letters of comment or letters requesting observer status will be placed on the public record, which means that the letters can be seen at the Board's office and will be available on the Board's website. Before placing the letters on the public record, the Board will remove any personal (i.e. not business) contact information from the letters (i.e. the address, fax number, phone number, and e-mail address of the individual). However, the name of the individual and the content of the letter will become part of the public record. Please address your letter to the Board Secretary at the address below, and reference file numbers **EB-2013-0078, EB-2013-0079 and EB-2013-0080** at the top of your letter.

Intervene

If you wish to actively participate in the proceeding (e.g., submit questions, file argument), you may request intervenor status from the Board no later than **10 days** after the publication or service date of this notice. Instructions for requesting intervenor status are available on the Board's website at www.ontarioenergyboard.ca/participate. Everything an intervenor files with the Board, including the intervenor's name and contact information, will be placed on the public record, which can be seen at the Board's office and will be available on the Board's website.

If you do not have internet access, please call 1-877-632-2727 to receive information about this proceeding and how to participate.

IMPORTANT

IF YOU DO NOT FILE A WRITTEN OBJECTION TO A WRITTEN HEARING OR DO NOT PARTICIPATE IN THE HEARING IN ACCORDANCE WITH THIS NOTICE, THE BOARD MAY PROCEED WITHOUT YOUR PARTICIPATION AND YOU WILL NOT BE ENTITLED TO ANY FURTHER NOTICE IN THE PROCEEDING.

Addresses**The Board**

P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4
Attention: Board Secretary
Filings:
<https://www.pes.ontarioenergyboard.ca/eservice/>
E-mail: boardsec@ontarioenergyboard.ca
Tel: 1-888-632-6273 (Toll free)
Fax: 416-440-7656

Hydro One Networks Inc.

8th Floor, South Tower
483 Bay Street
Toronto ON M5G 2P5
Attention: Susan E. Frank
VP & Chief Regulatory Officer
Email: Susan.E.Frank@HydroOne.com
Tel: 416-345-5700
Fax: 416-345-5870

Counsel for the Applicants:

Osler, Hoskin & Harcourt LLP
Suite 2500, 450-1st Street S.W.,
Calgary, AB T2P 5H1
Attention: Gordon Nettleton
Email: GNettleton@osler.com
Tel: 403-260-7047
Fax: 403-260-7024

Pape Salter Teillet LLP
546 Euclid Avenue
Toronto, ON M6G 2T2
Attention: Colin Salter
Email: csalter@pstlaw.ca
Tel: 416-916-2989 x3
Fax: 416-916-3726

Pape Salter Teillet LLP
546 Euclid Avenue
Toronto, ON M6G 2T2
Attention: Alex Monem
Email: amonem@pstlaw.ca
Tel: 416-916-2989 x6
Fax: 604-681-3050

DATED at Toronto, May 1, 2013

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary