



EB-2016-0276

**Hydro One Inc.
Orillia Power Distribution Corporation
Hydro One Networks Inc.**

**Application for approval to purchase Orillia Power
Distribution Corporation**

**PROCEDURAL ORDER NO. 3
January 17, 2017**

Hydro One Inc. (Hydro One), filed an application on October 11, 2016, under section 86(2)(b) of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B) (Act), requesting approval to purchase all of the shares of Orillia Power Distribution Corporation (Orillia Power). As part of the share purchase, Orillia Power and Hydro One Networks Inc. (HONI) requested the OEB's approval for related transactions/proposals:

- Inclusion of a rate rider in Orillia Power's 2016 OEB approved rate schedule, under section 78 of the Act, to give effect to a 1% reduction in the 2016 base electricity delivery rates for residential and general service classes until 2022
- Transfer of Orillia Power's rate order to HONI, under section 18 of the Act
- Transfer of Orillia Power's distribution system to HONI, under section 86(1)(a) of the Act
- Cancellation of Orillia Power's electricity distribution licence, under section 77(5) of the Act, after the transfer of the distribution system to HONI is completed
- Amendment of HONI's electricity distribution licence, under section 74 of the Act, at the same time as Orillia Power's licence is cancelled, authorizing HONI to serve Orillia Power's customers

A Notice of Hearing was issued on November 7, 2016. Procedural Order No. 1 was issued on December 12, 2016 setting out the following steps for the proceeding. The OEB ordered Mr. Makuch to file with the OEB any evidence relevant to the existence of the Orillia Water Light and Power Commission (Commission), including evidence

relevant to the validity of the By-Law 2000-146 of the City of Orillia (City) dated October 16, 2000. The OEB also made provision for the filing of interrogatories by OEB Staff, intervenors and Mr. Makuch on the applicants' evidence and for responses to interrogatories by the applicants.

On December 19, 2016, Mr. Kehoe, the individual participant, represented by Mr. Makuch submitted information pertaining to the existence of the Commission and the validity of By-Law 2000-146. On December 22, 2016, the City filed a submission arguing that the information submitted provides no evidence to support the assertion that the Commission exists. The City further argued that the Commission was validly dissolved and the assets were validly transferred over 16 years ago.

The OEB considers it is necessary to make provision for the following matters related to this proceeding.

IT IS THEREFORE ORDERED THAT:

1. Mr. Makuch may file with the OEB and serve on all parties, a reply submission in response to the submission of the City dated December 22, 2016 on or before **January 24, 2017**.

All filings to the OEB must quote the file number, EB-2016-0276, be made in searchable/ unrestricted PDF format electronically through the OEB's web portal at <https://www.pes.ontarioenergyboard.ca/eservice/>. Two paper copies must also be filed at the OEB's address provided below. Filings must clearly state the sender's name, postal address and telephone number, fax number and e-mail address. Parties must use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <http://www.ontarioenergyboard.ca/OEB/Industry>. If the web portal is not available parties may email their documents to the address below. Those who do not have internet access are required to submit all filings on a CD in PDF format, along with two paper copies. Those who do not have computer access are required to file 7 paper copies.

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.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Judith Fernandes at judith.fernandes@ontarioenergyboard.ca and Maureen Helt at maureen.helt@ontarioenergyboard.ca.

ADDRESS

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DATED at Toronto, January 17, 2017

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary