

**NOTICE OF APPLICATION AND HEARING
CANADIAN NIAGARA POWER INC.
APPLICATION FOR LEAVE TO CONSTRUCT
TRANSMISSION FACILITIES IN THE NIAGARA FALLS / FORT ERIE AREA**

Canadian Niagara Power Inc. (the "Applicant" or "CNP") has filed an application with the Ontario Energy Board, (the "Board") dated July 16, 2009 under section 92 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, Schedule B. CNP is a licensed Ontario transmitter which operates a transmission system in the Niagara Falls / Fort Erie area including an international interconnection to US National Grid's ("USNG") transmission system in Buffalo, New York, under a National Energy Board permit. CNP has applied for an order of the Board granting leave to construct transmission facilities in the Niagara Falls / Fort Erie area to reinforce its existing 115 kilovolt ("kV") transmission system, as outlined below.

The following are the facilities proposed for CNP's system in Ontario for which CNP is requesting a leave to construct.

- reinforce 2 km of CNP's 2-circuit 115 kV line (circuits A36 and A37) extending from Hydro One's Niagara Murray TS in Niagara Falls, Ontario;
- replace 0.5 km of conductor on CNP's existing 115 kV line from Bertie Hill Tower to Queen Street Tower in Fort Erie;
- replace approximately 0.66 km of conductor on the existing 115 kV line from the Queen Street Tower in Fort Erie, across the Niagara River; to the High Tower adjacent to Terminal House B in Buffalo. (Note: CNP's ownership of this line section ends at the midpoint of the Niagara River crossing.);
- install a 115 kV circuit breaker adjacent to the A36N/A37N taps out of Niagara Murray TS;
- install two 115 kV circuit breakers at CNP's Station #17 in Stevensville; and
- install a 150 Megavolt Ampere ("MVA") phase shifting transformer and voltage regulator at CNP's Station #18 in Fort Erie.

In addition to the facilities in Ontario listed above, CNP has proposed the following additional facilities that are needed on USNG's system in New York in order to complete the project:

- construct a 115 kV, 3-breaker ring station at USNG's Switch 998 in Buffalo, New York; and
- replace approximately 10 km of conductor on the existing 115 kV line from USNG's Huntley Station to a new 115 kV Paradise Station being planned by USNG in Buffalo, New York.

Although a leave to construct is not required for facilities outside Ontario, the above facilities are identified and described because they are needed to complete the project and CNP is proposing to pay the entire cost of the project (estimated at \$30.9 million) and seek recovery from Ontario ratepayers.

CNP advised that USNG will be responsible, on CNP's behalf, for obtaining all approvals which may be necessary to allow for the construction and operation of works in the United States.

A map showing the location of the proposed facilities is included in this Notice.

Notice to Potential Parties

The Applicant has been directed to immediately serve a copy of this Notice of Application along with the location map and a copy of the Application, either personally, by courier, or by registered mail on:

- a. All directly affected landowners, and to the extent that the project involves new, expanded or modified easements, on all encumbrancers and encumbrancees;
- b. All parties identified in the affidavits of title;
- c. Each electricity distributor within whose service area the proposed new or reinforced transmission facilities are or will be located;
- d. All generators connected directly to the transmission line under consideration for reinforcement;
- e. All transmission customers of Canadian Niagara Power Inc. connected directly to the transmission line under consideration for reinforcement;
- f. All owners and operators of rail lines, telecommunications (e.g., telephone) or other utilities along or crossing the routes proposed for the subject project;
- g. The Clerks of all Municipalities that would be affected by the subject project;
- h. All Aboriginal Groups with an interest in the lands affected by the subject project;
- i. The following federal and provincial government ministries and agencies:
 - Ministry of Energy and Infrastructure
 - Ministry of Aboriginal Affairs
 - Ministry of the Environment
 - Ontario Realty Corporation
 - Ontario Power Authority
 - Independent Electricity System Operator
 - Hydro One Networks Inc.
 - National Energy Board

CNP submitted that the proposed facilities are categorized as "non-discretionary" and are needed to address transmission reliability concerns and to provide overall system benefits to Ontario through an expanded and synchronous interconnection with New York.

CNP also advised that no new land will be acquired for the construction of the facilities in Ontario.

The scheduled in-service date of the proposed facilities is September 30, 2012.

The Board has assigned File No. EB-2009-0283 to this application.

How to see the Applicant'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 and at the Applicant's offices (see addresses below).

How to Participate

You may participate in this proceeding in one of three ways:

1. Send a Letter with your Comments to the Board

Your letter with comments will be provided to the Board members deciding the application and will be part of the public record for the application. If you wish to make an oral presentation to the Board, your letter should include this request. Your letter must be received by the Board no later than **30 days** from the publication or service date of this notice. The Board accepts letters of comment by either post or e-mail at the addresses below.

2. Become an Observer

Observers do not actively participate in the proceeding but monitor the progress of the proceeding by receiving documents issued by the Board. You may request observer status in order to receive documents issued by the Board in this proceeding. If you become an observer, you need to contact the applicant and others in order to receive documents that they file in this proceeding and they may charge you for this. Most documents filed in this application will also be available on the Board's website. Your request for observer status must be made in writing and be received by the Board no later than **10 days** from the publication or service date of this notice. The Board accepts observer request letters by either post or e-mail at the addresses below; however, two paper copies are also required. You must also provide a copy of your letter to the Applicant.

3. Become an Intervenor

You may ask to become an intervenor if you wish to actively participate in the proceeding. Intervenors are eligible to receive evidence and other material submitted by participants in the hearing. Likewise, intervenors will be expected to send copies of any material they file to all parties to the hearing. Your request for intervenor status must be made by letter of intervention and be received by the Board 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 outcome of this proceeding; and if you represent a group, a description of the group and its membership. The Board may order costs in this proceeding. You must indicate in your letter of intervention whether you expect to seek costs from the applicant and the grounds for your eligibility for costs. You must provide a copy of your letter of intervention to the Applicant. The Board may choose to proceed with this application by way of written or oral hearing.

The Board will not hold a written hearing if a party satisfies the Board that there is good reason for holding an oral hearing. Your letter of intervention should indicate your preference for a written or oral hearing, and the reason for that preference.

You must file two paper copies and an electronic copy of your intervention request with the Board. If you already have a user ID, please submit the electronic copy of your intervention request through the Board's web portal at www.errr.oeb.gov.on.ca. If you do not have a user ID, please visit the "e-Filing Services" page on the Board's website at www.oeb.gov.on.ca and fill out a user ID password request. For instructions on how to submit and naming conventions please refer to the RESS Document Guidelines also found on the "e-Filing Services" webpage. Alternately, the electronic copy of your intervention request may be submitted by e-mail at the address below. Those who do not have internet access are required to submit the electronic copy of their intervention request on a CD or diskette in pdf format.

How to Contact Us

In responding to this Notice, please include Board file number EB-2009-0283 in the subject line of your e-mail or at the top of your letter. 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 website at www.oeb.gov.on.ca or by calling our Consumer Relations Centre at 1-877- 632-2727.

IMPORTANT

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

ADDRESSES

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DATED at Toronto August 5, 2009

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli
Board Secretary

Canadian Niagara Power Inc.
Transmission Reinforcement Project
Niagara Falls / Fort Erie Area

