



CAMBRIDGE AND NORTH DUMFRIES HYDRO INC.

1500 Bishop Street, P.O. Box 1060, Cambridge, ON N1R 5X6
Phone: 519-621-8405, Ext. 2355 Fax: 519-621-0383

March 16, 2012

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 26th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Cambridge and North Dumfries Hydro Inc.
Service Area Amendment
Board File Number EB-2012-0030**

Attached please find an application from Cambridge and North Dumfries Hydro Inc. for a Service Area Amendment.

Two copies of this letter have been forwarded to your attention via courier and the application has been filed using RESS.

If you require any additional information or clarification, please contact me at 519.621.8405, ext 2355.

Sincerely,

CAMBRIDGE AND NORTH DUMFRIES HYDRO INC.

Original signed by John Grotheer

John W. Grotheer
President and CEO

CC Hydro One Networks Inc.

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Service Area Amendment Application
Cambridge and North Dumfries Hydro Inc.
Board File Number EB-2012-0030

March 16, 2012

7.0 INTRODUCTION

This application for a Service Area Amendment is structured and follows the minimum filing requirement for SAA assigned by the Ontario Energy Board. The section numbers follow the filing requirement of the base reference.

The customer who owns property at 4573 Trussler Road, Ayr, ON approached Hydro One Networks Inc. ("HONI") regarding connection to their service. HONI was unable to connect the customer because they have no lines nearby and cannot supply the customer in a reasonable time frame. HONI approached Cambridge and North Dumfries Hydro Inc. ("CND"). CND have the facilities to service the customer easily and immediately.

7.1 BASIC FACTS

GENERAL

7.1.1 (a)

*Provide the contact information for the applicant
Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the person*

The Applicant:

Cambridge and North Dumfries Hydro Inc.
John Grotheer
President and CEO
1500 Bishop Street, P.O. Box 1060, Cambridge, ON N1R 5X6
519-621-8405 ext. 2355, 519-621-0383, jgrotheer@camhydro.com

7.1.1 (b)

*Provide the contact information for the incumbent distributor
Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the person*

The Incumbent Distributor:

Hydro One Networks Inc.
Yoon Kim
Applications Analyst – Regulatory Affairs
483 Bay Street, 8th Floor, South Tower, Toronto, ON M5G 2P5
416-345-5228, 416-345-5866, yoon.kim@hydroone.com

7.1.1 (c)

*Provide every affected customer, landowner, and developer in the area that is the subject of the SAA Application
Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the person*

1 There are no existing customers affected by this application. There is one new customer
2 affected as follows:

3
4 Canadian Pacific Railway
5 C/O Tom Twigge
6 Suite 700 – 1290 Central Parkway West,
7 Mississauga, On
8 L5C 4R3
9 Tel: 905.803.5986
10 Fax: 905.803.3412
11 Email Address:tom_twigge@cpr.ca
12
13

14 7.1.1 (d) & (e)

15
16 *Provide any alternate distributor other than the applicant and the incumbent distributor, if there are*
17 *any alternate distributors bordering on the area that is the subject of the SAA application; and*
18 *any representative of the persons listed above including, but not limited to, a legal representative*
19

20
21 There are no alternate distributors or other parties to this transaction
22
23

24 7.1.2 REASONS FOR APPROVAL OF THIS AMENDMENT

25
26 *Indicate the reasons why this amendment should occur and identify any load transfers eliminated by*
27 *the proposed SAA.*
28

29 The customer could not be serviced efficiently by HONI, therefore HONI will transfer ONLY the
30 customer at 4573 Trussler Road with no boundary adjustments to CNL and CNL will service
31 this customer ONLY.
32

33 No load transfers will be eliminated or created by this proposed SAA.
34
35
36

37 DESCRIPTION OF PROPOSED SERVICE AREA

38 7.1.3

39
40 *Provide a detailed description of the lands that are the subject of the SAA application. For SAA*
41 *applications dealing with individual customers, the description of the lands should include the lot*
42 *number, the concession number, and the municipal address of the lands. The address should include*
43 *the street number, municipality and/or county, and postal code of the lands.*
44

45 *For SAA applications dealing with general expansion areas, the description of the lands should*
46 *include the lot number and the concession number of the lands, if available, as well as a clear*
47 *description of the boundaries of the area (including relevant geographical and geophysical features).*
48

49 Detailed information of the affected customer is found in 7.1.1 (c) and Attachment 1 – SAA
50 Application Map
51

52 The municipal address is 4573 Trussler Road, Ayr ON N0B 1E0. The land is designated as
53 Parts 1, 2 and 3, Plan 41R-8044 Transfer / Deed of Land registered on August 16, 2007 as
54 Instrument No. 499501.

HONI and CND Licence Amendments:

The proposed amendment would have no impact on HONI's distribution licence, as HONI's licensed service areas in the Township of Blandford-Blenheim include all areas with the exception of that served by CND.

Hydro One Networks Inc. (ED-2003-0043)
APPENDIX B – TAB 4

Name of Municipality: Township of Blandford-Blenheim as at March 31, 1999.

Formerly Known As: Same

Area Not Served By Networks: The area served by Cambridge and North Dumfries Hydro Inc. as particularly set out in Licence No. ED-2002-0574..

Networks assets within area

not served by Networks: Yes

Customer(s) within area not

served by Networks: No

→ *No change is required*

Cambridge and North Dumfries Hydro Inc. (ED-2002-0574)

SCHEDULE 1 DEFINITION OF SERVICE AREA

The customer in the Township of Blandford-Blenheim located at:

- 4573 Trussler Road ONLY

→ *Upon approval of this application, this will be added*

7.1.4

Provide one or more maps or diagrams of the area that is the subject of the SAA application.

See Attachment 1 - SAA Application Map.

7.1.4 (a)

Borders of the applicant's service area

See Attachment 1 - SAA Application Map.

7.1.4 (b)

Borders of the incumbent distributor's service area

See Attachment 1 - SAA Application Map.

7.1.4 (c)

Borders of any alternate distributor's service area

Not Applicable

7.1.4 (d)

Territory surrounding the area for which the applicant is making SAA application

See Attachment 1 - SAA Application Map.

7.1.4 (e)

Geographical and geophysical features of the area including, but not limited to, rivers and lakes, property borders, roads, and major public facilities

See Attachment 1 - SAA Application Map.

7.1.4 (f)

Existing facilities supplying the area that is the subject of the SAA application, if applicable, as well as the proposed facilities which will be utilized by the applicant to supply the area that is the subject of the SAA application (Note: if the proposed facilities will be utilized to also provide for expansion of load in the area that is the subject of the SAA application, identify that as well)

See Attachment 1 - SAA Application Map.

DISTRIBUTION INFRASTRUCTURE IN AND AROUND THE PROPOSED AMENDMENT AREA

7.1.5

Provide a description of the proposed type of physical connection (i.e., individual customer; residential subdivision, commercial or industrial development, or general service area expansion).

Canadian Pacific Railway – Rail Yard

7.1.6

*Provide a description of the applicant's plans, if any, for similar expansions in lands adjacent to the area that is the subject of the SAA application.
Provide a map or diagram showing the lands where expansions are planned in relation to the area that is the subject of the SAA application.*

CND does not have any plan for expansion in lands adjacent to the area that is the subject of the SAA application

7.2 EFFICIENT RATIONALIZATION OF THE DISTRIBUTION SYSTEM

The proposed SAA will be evaluated in terms of rational and efficient service area realignment. This evaluation will be undertaken from the perspective of economic (cost) efficiency as well as engineering (technical) efficiency.

Applicants must demonstrate how the proposed SAA optimizes the use of existing infrastructure. In addition, applicants must indicate the long term impacts of the proposed SAA on reliability in the area to be served and on the ability of the system to meet growth potential in the area. Even if the proposed SAA does not represent the lowest cost to any particular party, the proposed SAA may promote economic efficiency if it represents the most effective use of existing resources and reflects the lowest long run economic cost of service to all parties.

The decision to apply for a Service Area Amendment follows a review by both CND and HONI. CND has an existing 4.8kV overhead line located directly across the road from the proposed connection point. HONI has no lines nearby and cannot supply the customer in a reasonable time frame. The cost for HONI to supply the customer would be prohibitive, and would duplicate existing CND facilities. The proposed arrangement optimizes existing infrastructure.

7.2.1 ECONOMIC AND ENGINEERING EFFICIENCY

In light of the above, provide a comparison of the economic and engineering efficiency for the applicant and the incumbent distributor to serve the area that is the subject of the SAA application.
(NOTE: (a), (b), (c), (d), (e), (f), (g), (h))

7.2.1 (a)

Location of the point of delivery and the point of connection

The point of delivery and point of connection is at the following facility – Wolverton DS F2 27.6kV feeder.

7.2.1 (b)

Proximity of the proposed connection to an existing, well developed electricity distribution system

The connection point to the Wolverton DS F2 27.6kV feeder will be made on Trussler Road in the Township of North Dumfries, South of Welsh Drive.

7.2.1 (c)

The fully allocated connection costs for supplying the customer (i.e., individual customers or developers) unless the applicant and the incumbent distributor provide a reason why providing the fully allocated connection costs are unnecessary for the proposed SAA
(Note: the Board will determine if the reason provided is acceptable).

There is no feasible cost-effective supply option for HONI to supply this customer.

7.2.1 (d)

The amount of any capital contribution required from the customer

A \$25,000 deposit has been received from the customer. The exact capital contribution amount will be determined based on CND's Economic Evaluation Model Policy, which is based upon the methodology and assumptions detailed in Appendix B of the Distribution System Code.

7.2.1 (e)

Costs for stranded equipment (i.e., lines, cables, and transformers) that would need to be de-energized or removed

Not applicable

7.2.1 (f)

Information on whether the proposed SAA enhances, or at a minimum does not decrease, the reliability of the infrastructure in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application over the long term

The area infrastructure reliability will remain the same as a result of the proposed connection.

7.2.1 (g)

Information on whether the proposed infrastructure will provide for cost-efficient expansion if there is growth potential in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application

Not Applicable

7.2.1 (h)

Information on whether the proposed infrastructure will provide for cost-efficient improvements and upgrades in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application.

Not Applicable

7.3 IMPACTS ARISING FROM THE PROPOSED AMENDMENT

Description of Impacts

1
2 **7.3.1**

3
4 *Identify any affected customers or landowners.*

5
6
7 See 7.1.1 (c).
8
9

10 **7.3.2**

11
12 *Provide a description of any impacts on costs, rates, service quality, and reliability for customers in*
13 *the area that is the subject of the SAA application that arise as a result of the proposed SAA. If an*
14 *assessment of service quality and reliability impacts cannot be provided, explain why.*

15
16 There are no impacts as there are no existing customers..
17
18
19

20 **7.3.3**

21
22 *Provide a description of any impacts on costs, rates, service quality, and reliability for customers of*
23 *any distributor outside the area that is the subject of the SAA application that arise as a result of the*
24 *proposed SAA. If an assessment of service quality and reliability impacts cannot be provided, explain*
25 *why.*

26
27
28 There are no impacts.
29

30 **7.3.4**

31
32 *Provide a description of the impacts on each distributor involved in the proposed SAA. If these*
33 *impacts have already been described elsewhere in the application, providing cross-references is*
34 *acceptable.*

- 35
36
 - See detailed description of the service area territory in Section 7.1.3.
 - See Attachment 1 - SAA Application Map.

37
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39

40 **7.3.5**

41
42 *Provide a description of any assets which may be stranded or become redundant if the proposed SAA*
43 *is granted.*

44
45
46 This SAA will not strand any assets nor will any assets become redundant.
47

48 **7.3.6**

49
50 *Identify any assets that are proposed to be transferred to or from the applicant. If an asset transfer is*
51 *required, has the relevant application been filed in accordance with section 86 of the Act? If not,*
52 *indicate when the applicant will be filing the relevant section 86 application.*
53

1 There are no assets proposed to be transferred to or from the applicant. The customer is a new
2 customer.
3

4 **7.3.7**

5
6 *Identify any customers that are proposed to be transferred to or from the applicant.*
7

8
9 See 7.1.1 c
10

11
12 **7.3.8**

13 *Provide a description of any existing load transfers or retail points of supply that will be eliminated.*
14

15
16
17 Not applicable.
18
19

1 **7.3.9**

2 *Identify any new load transfers or retail points of supply that will be created as a result of the*
3 *proposed SAA. If a new load transfer will be created, has the applicant requested leave of the Board*
4 *in accordance with section 6.5.5 of the Distribution System Code (“DSC”)?*

5 *If not, indicate when the applicant will be filing its request for leave under section 6.5.5 of the DSC*
6 *with the Board. If a new retail point of supply will be created, does the host distributor (i.e., the*
7 *distributor who provides electricity to an embedded distributor) have an applicable Board approved*
8 *rate? If not, indicate when the host distributor will be filing an application for the applicable rate.*
9

10
11
12 There are no new Load Transfers being created as a result of the proposed SAA application.
13
14

15 **EVIDENCE OF CONSIDERATION AND MITIGATION OF IMPACTS**

16
17
18 **7.3.10**

19
20 *Provide written confirmation by the applicant that all affected persons have been provided with*
21 *specific and factual information about the proposed SAA. As part of the written confirmation, the*
22 *applicant must include details of any communications or consultations that may have occurred*
23 *between distributors regarding the proposed SAA.*
24

25
26 See Attachment 3 – Letter from Canadian Pacific Railway
27
28

29 **7.3.11**

30
31 *Provide a letter from the incumbent distributor in which the incumbent distributor indicates that it*
32 *consents to the application.*
33

34
35 See Attachment 2, Hydro One Networks' consent letter.
36

37 **7.3.12**

38 *Provide a written response from all affected customers, developers, and landowners consenting to the*
39 *application, if applicable.*
40
41

42
43 See Attachment 3 Canadian Pacific consent letter
44
45

46 **7.3.13**

47 *Provide evidence of attempts to mitigate impacts where customer and/or asset transfers are involved*
48 *(i.e., customer rate smoothing or mitigation, and compensation for any stranded assets).*
49
50

51
52 Not applicable.
53

54 **7.4 CUSTOMER PREFERENCE**

1
2 **7.4.1**

3 *An applicant who brings forward an application where customer choice may be a factor must provide*
4 *a written statement signed by the customer (which includes landowners and developers) indicating*
5 *the customer's preference.*
6

7
8 See 7.3.12
9

10
11 **7.5 ADDITIONAL INFORMATION REQUIREMENTS FOR CONTESTED APPLICATIONS**

12
13 *If there is no agreement among affected persons regarding the proposed SAA, the applicant must file*
14 *the additional information set out below.*
15

16 Not Applicable
17

18
19 **7.5.1**

20 *If the application was initiated due to an interest in service by a customer, landowner, or developer,*
21 *evidence that the incumbent distributor was provided an opportunity to make an offer to connect that*
22 *customer, landowner, or developer.*
23

24
25 Not Applicable
26

27
28 **7.5.2**

29 *Evidence that the customer, landowner, or developer had the opportunity to obtain an offer to*
30 *connect from the applicant and any alternate distributor bordering on the area that is the subject of*
31 *the SAA application.*
32

33
34 Not Applicable
35

36
37
38 **7.5.3**

39 *Actual copies of, as well as a summary of, the offer(s) to connect documentation (including any*
40 *associated financial evaluations carried out in accordance with Appendix B of the Distribution*
41 *System Code). The financial evaluations should indicate costs associated with the connection*
42 *including, but not limited to, on-site capital, capital required to extend the distribution system to the*
43 *customer location, incremental up-stream capital investment required to serve the load, the present*
44 *value of incremental OM&A costs and incremental taxes as well as the expected incremental*
45 *revenue, the amount of revenue shortfall, and the capital contribution requested.*
46

47
48 Not Applicable
49

50 **7.5.4**

51 *If there are competing offers to connect, a comparison of the competing offers to connect the*
52 *customer, landowner, or developer.*
53
54

1 Not Applicable

2
3
4 **7.5.5**

5
6 *A detailed comparison of the new or upgraded electrical infrastructure necessary for each distributor*
7 *to serve the area that is the subject of the SAA application, including any specific proposed*
8 *connections.*

9
10 Not Applicable

11
12
13 **7.5.6**

14 *Outage statistics or, if outage statistics are not available, any other information regarding the*
15 *reliability of the existing line(s) of each distributor that are proposed to supply the area that is the*
16 *subject of the SAA application.*

17
18
19
20 Not Applicable

21
22 **7.5.7**

23 *Quantitative evidence of quality and reliability of service for each distributor for similar customers in*
24 *comparable locations and densities to the area that is the subject of the SAA application.*

25
26
27 Not Applicable

28
29 **7.6 OTHER**

30 *It is the sole responsibility of the Applicant to provide all information that is relevant and that would*
31 *assist the Board in making a determination in this matter. Failure to provide key information may*
32 *result in a delay in the processing of the application or in the denial of the application.*

33
34
35
36 **7.7 WRITTEN CONSENT/JOINT AGREEMENT**

37
38 CND agrees to all the statements made in this application

39
40
41 *Original signed by John Grotheer*

42
43
44 **John Grotheer**
45 **President and CEO**
46 **Cambridge and North Dumfries Hydro Inc.**

47
48
49 **Dated: March 16, 2012**

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52
53 **7.8 REQUEST FOR NO HEARING**

1 Does the applicant request that the application be determined by the Board without a
2 hearing? If yes, please provide:
3 (a) an explanation as to how no person, other than the applicant and the proposed
4 recipient, will be adversely affected in a material way by the outcome of the proceeding
5 AND
6 (b) the proposed recipient's written consent to the disposal of the application without a
7 hearing.

8
9 (a) CND requests no hearing.

10
11
12 (b) Please see Attachment 2 – HONI's consent letter and Attachment 3 – CP Rail
13 consent letter.
14

15
16 *Original signed by John Grotheer*
17 _____

18
19 **John Grotheer**
20 **President and CEO**
21 **Cambridge and North Dumfries Hydro Inc.**
22

23 **Dated: March 16, 2012**
24
25
26
27

ATTACHMENTS

Attachment 1 – Map of Area

**Attachment 2 - Hydro One Networks Inc. Consent Letter Dated
February 27, 2012**

**Attachment 3 – Canadian Pacific Consent Letter Dated February 21,
2012**



Hydro One Networks Inc.

8th Floor, South Tower
483 Bay Street
Toronto, Ontario M5G 2P5
www.HydroOne.com

Tel: (416) 345-5707
Fax: (416) 345-5866
Andrew.skalski@HydroOne.com



Andrew Skalski

Director – Major Projects and Partnerships
Regulatory Affairs

BY COURIER

February 27, 2012

John Grotheer
President and CEO
Cambridge and North Dumfries Hydro Inc.
1500 Bishop Street, P.O. Box 1060
Cambridge, ON
N1R 5X6

Dear Mr. Grotheer:

**EB-2012-0030 - Cambridge and North Dumfries Hydro Inc. Application for a Licence
Amendment – Hydro One Networks' Letter of Consent**

This is to confirm that Hydro One Networks Inc. ("Hydro One") supports your application to amend Cambridge and North Dumfries Hydro Inc.'s ("CND Hydro") Distribution Licence as proposed in CND Hydro's service area amendment application - 4573 Trussler Road ONLY in Township of Blandford-Blenheim. Also Hydro One supports CND Hydro's request to proceed with this service area amendment without a hearing.

Sincerely,

A handwritten signature in blue ink, appearing to read "A. Skalski".

Andrew Skalski

Attachment 2

EB-2012-0030



**CANADIAN
PACIFIC**

Engineering Services – Project Services East
Suite 700, 1290 Central Parkway West
Mississauga ON L5C-4R3
Phone: (905) 803-3200 Fax: (905) 803-3300

February 21, 2012

Ron Sinclair, P.Eng.
Director, Engineering
Cambridge and North Dumfries Hydro Inc.
1500 Bishop St. P.O. Box 1060
Cambridge, ON N1R 5X6

RE: REQUEST FOR SERVICE – 4573 Trussler Road, Ayr ON N0B-1E0

Mr. Sinclair,

Further to our discussion, this letter to to confirm that Canadian Pacific wishes to have our new yard facility at 4573 Trussler Road, Ayr, Ontario serviced by Cambridge and North Dumfries Hydro Inc. We understand that the property is actually in Hydro One's service area, and that O.E.B. approval is required to C&NDH, Inc to provide service to this yard. CP supports C&ND Hydro to proceed with a service area amendment without a hearing. We are satisfied that C&NDH, Inc. will continue to provide us with the reliable and cost effective service we have received elsewhere within your service area.

Should you require any additional information, please do not hesitate to contact me.

Regards,

Tom Twigge
Manager – Design
Engineering Services – Project Services East
Canadian Pacific Railway

Attachment 3

EB - 2012 - 0030