

## Hydro One Networks Inc.

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### LAW

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August 23, 2012

Ms Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P. O. Box 2319  
2300 Yonge Street, Suite 2700  
Toronto, Ontario M4P 1E4

Dear Ms Walli:

### **EB-2012-0181 - Application for Service Area Amendment by Orangeville Hydro Limited – Response to Developer**

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This letter is the response of Hydro One Networks Inc. (“Hydro One”) to the letter sent to the Board on August 21, 2012, by Andrew J. Roman of Miller Thomson, solicitors for the developer, Thomasfield Homes Development Inc. (“the developer”).

That letter first states that the Application was commenced by Orangeville Hydro Limited (“OHL”) on March 23, 2011. The correct date is March 23, 2012.

Contrary to what is stated in the developer’s letter, the proceeding has moved expeditiously, in accordance with Board processes for Service Area Amendment applications. Neither the incumbent LDC (Hydro One) nor the Applicant LDC (OHL) has asked for any delays in dates set by the Board. Hydro One submits that the only events that are out of the ordinary course are as follows:

1. By letter dated June 25, 2012, OHL refused to answer certain interrogatories asked by Hydro One, resulting in a motion being brought by Hydro One to obtain answers to those interrogatories. Both OHL and Hydro One complied with Board-set time limits concerning submissions for the motion, and the Board rendered a Decision on August 22, 2012.
2. As stated in the item numbered #4 in the above-noted lawyer’s letter dated August 21, 2012, the developer has accepted the Offer to Connect of a utility that is not licensed to serve the land on which the developer proposes to build. The OEB-licensed utility for that land is Hydro One.
3. On August 14, 2012-- a week before the lawyer’s letter was sent to the Board-- the Municipality, by Resolution #2012-08-20, adopted a “policy” (a copy of which is attached as the last page of the lawyer’s letter dated August 21, 2012) stating that electricity cables must

be in underground ducts if the cables are in certain parts of the Municipality. In the item numbered #3 in the above-noted lawyer's letter dated August 21, 2012, it is alleged that the new "policy" adopted seven days earlier is a "Municipal standard" (it is not, being a mere "policy") and that Hydro One's standard of direct-burying of cables is "leading to unnecessary delays and uncertainties." Hydro One responds that not only is it not possible for matters to have been delayed by a "policy" oddly adopted days before the developer's lawyer's letter to the Board, but also Hydro One's practice of direct burying is approved by Ontario's *Electrical Safety Authority*, which, unlike municipalities, has the jurisdiction to regulate such practices and set standards.

4. Since OHL commenced the Application, the developer has changed the number and type of homes it plans to build, resulting in two Offers to Connect that did not even match. It is obvious that the Board cannot fulfill its mandate of comparing Offers to Connect if the Offers are not to serve identical projects.

Hydro One will not respond in this letter to the developer's allegations concerning its understanding of the costs of connection to the incumbent distributor, or to the developer's allegations concerning the expansion deposits, because the costs and expansion deposits of neither the LDC have been tested in the proceeding. Hydro One will also not be responding in this letter to the developer's incorrect allegations concerning Hydro One's easement, which allows Hydro One to serve existing facilities that are being used to supply Hydro One's customers. Those matters will, appropriately, be addressed in Hydro One's evidence, which will be submitted in accordance with Procedural Order #3.

In summary, although it is obvious that the developer is unhappy with the process that the Board has put in place to evaluate the merits of Service Area Amendment applications, that process has proceeded expeditiously and in the normal course, but for the four numbered items above, none of which four situations has occurred as a consequence of actions or inaction on the part of the Board or on the part of the incumbent distributor, Hydro One.

Yours very truly,

ORIGINAL SIGNED BY MICHAEL ENGELBERG

Michael Engelberg

cc: Miller Thomson LLP, att'n: Mr. Andrew J. Roman (by e-mail)  
T. J. Moore Law Professional Corporation, att'n: Mr. Tyler J. Moore (by e-mail)  
Ms Irina Kuznetsova, Ontario Energy Board (by e-mail)