

Hydro One Networks Inc.

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

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Andrew.skalski@HydroOne.com



Andrew Skalski

Director – Major Projects and Partnerships
Regulatory Affairs

BY COURIER

January 14, 2013

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2601, 2300 Yonge Street
P.O. Box 2319
Toronto, Ontario
M4P 1E4

Dear Ms. Walli:

EB-2012-0047 – Horizon Utilities Corporation – Application for Service Area Amendment – Hydro One Networks Interrogatory Questions

Please find Hydro One's updated Interrogatory Questions attached. The Questions were updated to resolve a formatting error on page 12 of Appendix A.

Sincerely,

ORIGINAL SIGNED BY ANDREW SKALSKI

Andrew Skalski

Attach.

c. EB-2012-0047 Intervenors (electronic only)

Hydro One Networks Inc.

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

Tel: (416) 345-5700
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Susan.E.Frank@HydroOne.com



Susan Frank

Vice President and Chief Regulatory Officer
Regulatory Affairs

BY COURIER

January 11, 2013

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

Dear Ms. Walli:

**EB-2012-0047 – Horizon Utilities Corporation – Application for Service Area Amendment –
Hydro One Networks Interrogatory Questions**

In accordance with Procedural Order 2, I am attaching two (2) copies of Hydro One Networks interrogatory questions on Horizon Utilities Corporation's Evidence.

A copy of this cover letter and the attached interrogatory questions have been filed in text-searchable electronic form through the Ontario Energy Board's Regulatory Electronic Submission System and the confirmation slip is also enclosed.

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank

c – Intervenors (Electronic Only)

**Horizon Utilities Corporation (“HUC”)
Service Area Amendment Application EB-2012-0047**

Hydro One Networks Inc. Interrogatories

Related to HUC’s Offer to Connect (OTC) for Summit Park Phase 7

1. Please provide a breakdown of the specific components included in HUC’s Non-contestable costs for HUC Summit Park Phase 7 OTC similar to HONI’s breakdown provided in the evidence.
2. Please provide a detailed breakdown of the materials and other costs included in the estimated capital costs (\$127,953) that were included for Transmission Station and Distribution Feeders Upstream Costs.
3. Please provide a detailed breakdown of the estimated OM&A costs (\$36,095 per year) that were included in HUC’s OTC for Summit Park Phase 7. Included in this breakdown, please detail any and all anticipated amounts relating to upstream facilities and/or system reinforcement.
4. The detailed DCF sheets indicate that most of the capital costs start in 2011 except for the meter charge, which takes place in 2013. However, revenue does not start until the middle of 2013.
 - a. Is this spending profile correct? What specifically is the \$1,390,703 investment for that is entitled “New Facilities and/or reinforcement investment” that was spent in 2011? Please itemize it.
 - b. Why are the costs for Transformer Stations and Distribution Feeders included in Year 1 in table 7 but in year 3 in the table entitled Upstream Cost Calculation?
 - c. Why is revenue not estimated to commence until 1.5 years later?
5. HUC has assumed that all customers in Summit Park Phase 7 are of the same size and class. Working with the developer, HONI estimates that there will be 1 commercial customer and that homes to be built are of significantly different sizes. HONI has prepared its estimates taking the resulting connection and energy differences into consideration. Please perform the analysis using the different customer estimates provided in HONI’s OTC in Appendix A.
6. HUC has not included an allowance for working capital. Please detail the additional capital cost of including such an allowance.
7. HUC includes a subdivision connection charge of \$50,000 in its OTC for Phase 7. On the sheet entitled “Primary Summary Inputs”, this cost is listed as “Subdivision Connection Costs – Uncontestable”. However, in Section 2 of the cover letter to the

developer, this charge is not included in the section entitled “Uncontestable Work”. Please confirm whether this cost is uncontestable or not.

Related to HUC’s Offer to Connect for Bishop Ryan Secondary School

8. The New Customer Connection Information form (NCCI) for Bishop Ryan School includes a detailed load forecast from the customer, which estimated an average demand for year 1 at 458.3 kW, increasing over the 5-year period to 1,108.3 kW in Year Five. HUC has estimated Year One demand at 1,100 kW, increasing to 1,300 kW in Year Five. Please provide details concerning the source of the load estimate that HUC has included in its calculation.
9. The Offer to Connect is dated April 23, 2012. It states it is good for only 6 months. Has a new offer been made? If so, please provide it.

Related to the Burman Report

10. On page 5 of the Burman Report, in the Summary of Infrastructure Comparative Analysis, it is stated that 27.6/16kV supply to the area is extensive and abundant if sourced from HUC’s current infrastructure. However, HUC has requested two new feeder positions from the Nebo TS. The following questions regarding capacity and load in HUC’s service territory are required to understand the relationship of those two statements:
 - a. In section 7.2.1, throughout the SAA and in discussion with HUC, HUC emphasized the feeders M3 and M4 are at capacity, but HUC’s new feeders are not planned until 2014. How does HUC plan to supply the SAA area in 2013 and beyond?
 - b. If supplied from elsewhere other than M3/M4 in 2013, indicate the source of TS and feeder. Provide the loading for the past 12 months at the other source feeder and TS.
 - c. Show a diagram illustrating how the other alternate source(s) per part b above will transfer load in 2013, and beyond. How much is the load transfer in 2013 from M3/M4 during the summer, and how much beyond 2013?
 - d. If capacity is available from elsewhere, why isn’t it considered as a permanent supply, avoiding the building of new feeders from Nebo TS?
11. In preparing the Burman Report, did Mr. Burman or anyone else acting on behalf of HUC contact the planning group at HONI responsible for planning the distribution system in the subject area, or any other HONI employees? If so, please name those employees and list what information Mr. Burman requested and what information was provided.

12. Please provide all reports and plans HUC provided Mr Burman in the preparation of his report.
13. HONI is unable to reconcile the costs listed in the “Comparison of Offers to Connect” on Page 33 with either of the Offers to Connect filed with the Board by HONI or HUC. Please provide a copy of the source information that was used to construct this comparison.

Related to the Service Area Amendment Application – Various sections

14. HUC submitted maps for City of Hamilton urban plans at Schedule E-1. Please provide a copy of these maps showing the existing service areas of HUC and HONI.
15. Was the anticipated load from the customers within Parts I – V of this SAA included in the HUC long-term load forecast provided to both HONI Distribution and Transmission for the Nebo TS upgrade?
16. In the June 15, 2012, version of the SAA Application, point 7.1.4(f) states that HUC has a 27.6kV feeder with 20MVA of capacity immediately adjacent to the subject area of the application (Summit Park Phase 7). Which feeder is this specifically?
17. HUC has requested space on the Bell poles that were recently replaced on Rymal Road near Glover Road so that HUC can string new or additional conductors. Is this for the purpose of providing a loop feed for the Bishop Ryan School? If not, what is the purpose?
18. Section 7.2.1(a) of Part IV indicates that the feeder adjacent to the property (presumably the school) is complete with interconnection ties with adjacent feeders for security and reliability of the customers. Is this interconnection tie with adjacent feeders using M3 and M4? If not, state which feeders and Transmission Station make up this interconnection.
19. Please provide your estimated growth potential in each of the section outlines in Parts I-V of the Service Area Amendment Application.
20. Please detail all expenditures on upstream costs and other reinforcements costs required to service areas in Parts I to V.

MULTI-SERVICE CONNECTION COST AGREEMENT

Between

Multi- Area Developments Inc.

And

Hydro One Networks Inc.



for

Summit Park Phase 7

MULTI-AREA DEVELOPMENTS INC. (the “Developer”) has requested and **HYDRO ONE NETWORKS INC.** (“Hydro One”) has agreed to perform certain work pertaining to the connection of the project described below, on the terms and conditions set forth in this Multi-Service Connection Cost Agreement dated this 27th day of July 2012 (the “Agreement”). The attached Standard Terms and Conditions for Multi-Service Connection Projects V1 06-2011 (the “Standard Terms and Conditions”) and the following schedules, as amended, supplemented or restated from time to time, are to be read with and form part of the Agreement:

- Schedule “A” (Description of the Non-Contestable Work and the Contestable Work);
- Schedule “B” (Description of Civil Work);
- Schedule “C” (Specifications);
- Schedule “D” (Hydro One Design - Drawing # **00351-12-116 Rev 06**)
- Schedule “E” (Developer’s Load Forecast)”
- Schedule “F” (Economic Evaluation Results)
- Schedule “G” (Option A/Option B Chart)
- Schedule “H” (Form of Transfer of Ownership of Primary Distribution System, Secondary Distribution System, Line Expansion and Residential Service Cables)
- Schedule “I” – certified copy of the Band Council resolution where the Developer is a Band of Indians, authorizing the execution of this Agreement and the issuance of any permits required under Section 28(2) of the *Indian Act* (Canada).

Unless otherwise defined herein, all capitalized terms herein shall have the meaning ascribed to them in the Standard Terms and Conditions.

I. Project Summary

The Developer is planning to:

expand or develop a residential subdivision known as Summit Park Phase 7 at the property located at Part of Lots 4 & 5, Block 4, Conc. 1, Binbrook, in the City of Hamilton in the Province of Ontario, as more particularly described in PIN 17385 1563, and where a plan of subdivision has been registered as _____ at ___:___ a.m./p.m. on the _____ day of _____, _____ (the foregoing being hereinafter described as “Project”).

Hydro One hereby commits to honouring all the prices stated hereunder in the Agreement even if it becomes necessary, for any reason, for Hydro One to supply the said subdivision by means of a feeder or feeders other than the feeder or feeders stated hereunder in the Agreement.

The Developer hereby agrees to proceed with one of the following options:

Option A: Hydro One performs the Non-Contestable Work and the Contestable Work; or

Option B: The Developer performs the Contestable Work and Hydro One performs the Non-Contestable Work,

by confirming its selection of the appropriate option contained in below:

The Developer hereby elects Option A by checking the box below and initialling where specified below and agrees with and accepts all the figures contained in the Option A Chart set out in Schedule "C".

Option A _____ (Developer's Signatories' Initials)

The Developer hereby elects Option B by checking the box below and initialling where specified below and agrees with and accepts all the figures contained in the Option B Chart set out in Schedule "C".

Option B  _____ (Developer's Signatories' Initials)

II. Term

Except as expressly set out in this Agreement; this Agreement shall be in full force and effect and binding on the parties upon execution by both parties and shall terminate on the 7th anniversary of the Energization Date. Termination of the Agreement for any reason shall not relieve either party of its liabilities and obligations existing under the Agreement at the time of termination. Termination of this Agreement for any reason shall be without prejudice to the right of either party, including the terminating party, to pursue all legal and equitable remedies that may be available to it including, but not limited to, injunctive relief.

III. Impact on Agreement if Developer Fails to Execute the Agreement by the Required Execution Date

All amounts quoted in the applicable Option A Chart or the Option B Chart (including, but not limited to, the Firm Offer and the estimate of Available Support and the estimate of the Capital Contributions will only be remain valid until the Required Execution Date (see Part IV below).

This Agreement shall be null and void and neither party shall have any further liability or obligation to the other if the Developer fails to do any of the following by the Required Execution Date:

- (i) execute and deliver this Agreement to Hydro One;
- (ii) Deliver the Capital Contribution to Hydro One upon the execution of the Agreement by the Developer;
- (iii) Deliver the Expansion Deposit to Hydro One upon the execution of the Agreement by the Developer;
- (iv) Deliver proof of insurance as required under the terms of this Agreement upon the execution of the Agreement by the Developer; or
- (v) Deliver a certified copy of the Band Council resolution upon the execution of the Agreement by the Developer where the Developer is a Band of Indians with such Band Council Resolution authorizing the execution of this Agreement and the issuance of any permits required under Section 28(2) of the *Indian Act* (Canada).

IV. Miscellaneous:

Developer's HST Registration Number:¹

Expansion Deposit:²

\$1,425,258.67

Easement Date:³

5th day of September 2012

Customer Connection Horizon:

5 years

Required Execution Date:

27th day of January 2013

Revenue Horizon:

25 years

Developer Notice Info:⁴

Multi-Area Developments Inc.
10-301 Fruitland Road, Stoney Creek, Ontario L8E 5M1

Attention: Steve Spicer

Fax: 905-662-8401

V. Entire Agreement

Subject to Section 2.4 of the Standard Terms and Conditions, this Agreement constitutes the entire agreement between the parties with respect to the subject matter of this Agreement and supersedes all prior oral or written representations and agreements concerning the subject matter of this Agreement.

[SIGNATURE PAGE FOLLOWS]

¹ See Subsection 1.1(e) of the Standard Terms and Conditions.

² See Sections 6.1 and 6.2 of the Standard Terms and Conditions.

³ See Subsections 5.2(1) of the Standard Terms and Conditions.

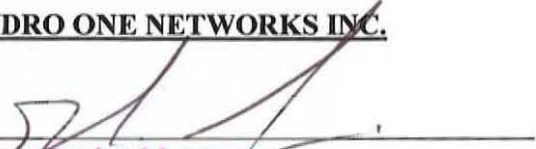
⁴ See Section 13.5 of the Standard Terms and Conditions.

VI. Amendments

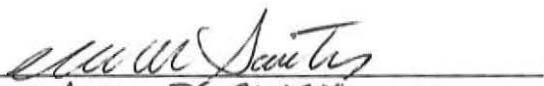
It is recognized that from time to time during the currency of the Agreement the parties hereto may mutually, unless otherwise provided for in the Agreement, alter, amend, modify or vary the provisions of the Agreement and such alteration, amendment, modification, variation or substitution shall be effected in writing and attached hereto and shall be deemed to form part hereof and shall, from the date agreed upon, alter, amend, modify, vary or substitute the Agreement in the manner and to the extent set forth in writing by the parties. Subject to the foregoing, no amendment, modification or supplement to the Agreement shall be valid or binding unless set out in writing and executed by the parties with the same degree of formality as the execution of the Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement.

HYDRO ONE NETWORKS INC.


Name: Gordon Messervey
Title: Supervising Planning & Design
Date: Sept 10, 2012
I have the authority to bind the Corporation.

Multi-Area Development Inc.


Name: ALDO DE SANTIS
Title: PRESIDENT
Date: SEPTEMBER 7, 2012

Name:
Title:
Date:
I/We have the authority to bind the Corporation.

Schedule "A" Description of the Contestable and Non-Contestable Work

See attached Drawing **00351-12-116 Rev 06**

Description of Non-Contestable Work Hydro One MUST perform:

For Underground Lines (Including Submarine):

1. Perform make ready work on existing Hydro One facilities (dip pole or existing transformer or kiosk)
2. Termination of all primary and secondary cables within the Electrical Distribution System
3. Installation of transformers and kiosks including inserts, elbows, insulating caps, arrestors and feed through
4. Install kiosks including insulating caps
5. Install numbering, signs, locks and phase markings on transformers and kiosks
6. Connection of grounds to transformers and kiosks
7. Install switching/isolation of existing Hydro One facilities
8. Perform Inspection

For Overhead Lines:

1. Perform make ready work on existing Hydro One facilities
2. Termination of all primary cables at transformer and switch locations and secondary cables transitioning to underground within the Electrical Distribution System
3. Install transformers and transformer framing
4. Install switches

Description of Contestable Work Hydro One or Developer/Contractor can perform (Unless otherwise stated on Drawing):

For Underground Lines (Including Submarine):

1. Supply and install primary and secondary cables
2. Install secondary splices

For Overhead Lines:

1. Install new poles, primary and secondary conductor, guys and anchors
2. Install primary and secondary framing
3. Install grounding (Plates and Rods)

Schedule "B" – Description of Civil Work

The Developer shall perform the following Civil Work, at its own expense, in accordance with the terms of this Agreement, including, the applicable Hydro One Specifications and standards:

For Underground Lines:

- Excavate trenches;
- Install sand padding with masonry sand;
- Supply and install pre-cast concrete vaults and backfill;
- Install bollards if specified by Hydro One in the design of the Electrical Distribution System;
- Install grounding (Rods);
- Install a crushed stone base for transformers and kiosks;
- Install partial and complete duct banks as specified on drawing (Direct Buried and or Concrete Encased);
- Install road crossing ducts (Including Road Cuts and Bores) complete with pull rope and caps for spares; and
- Perform any other Civil Work referenced in the applicable Hydro One Specifications and standards.

For Sub-cable work (In addition to requirements for Underground Lines):

- Install poured pads (when specified on drawing) in accordance with Hydro One's Standard DU-06-302;
- Supply and install pre-cast concrete vaults and or aluminum vaults;
- Install grounding (Rods or Plates);
- Install masonry sand padding and crushed stone; and
- Perform any other Civil Work referenced in the applicable Hydro One specifications and standards.

All Forestry work outside of operating clearances around existing lines

Schedule “C” - Specifications

The following will be provided to the Developer on a CD-ROM:

The Hydro One Overhead and Underground Distribution Standards – 2011 Editions

Schedule "D" - Hydro One Design - Drawing # 00351-12-116 Rev 06

Schedule "E" –"Developer's Load Forecast"

Residential Services

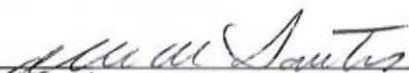
Rate Class	#of Lots	Sq. Ftge	Load Type	Service Size (Amps)
UR	101	2500 sqft	Base + AC	200 amps
UR	185	1500 sqft	Base + AC	200 amps

Commercial Services

Rate Class	#of Lots	Secondary Voltage	Service Size (Amps)	Usage	Business Type
Gse	1	120/240V	200 amps	Single Shift	Commercial

Submitted by the Developer on this 12th day of June 2012.

Multi-Area Developments Inc.


Name: ALDO DE SANTIS
Title: PRESIDENT
Date: SEPTEMBER 7, 2012

Name:
Title:
Date:
I/We have the authority to bind the Corporation.

Schedule "F": Economic Evaluation Results

Basic Discounted Cash Flow Calculation

Capital Costs and Charges				Hydro One does all the work (Option A)	Alternative Bid Option (Option B)
Subdivision Expansion Cost	Length	2477 metres		\$ 757,154.26	\$ 473,214.43
Line Expansion Cost	Length	0 metres		\$ -	\$ -
			Subtotal	\$ 757,154.26	\$ 473,214.43
			Overheads and Interest During Construction	\$ 93,510.86	\$ 60,382.38
Total Capital Cost				\$ 850,665.11	\$ 533,596.80

Operating and Maintenance (O&M) Costs over 25 Year Revenue Horizon					
Estimated Connection O & M per year			\$	34,180.06	
Estimated Expansion O & M per year					
Line Expansion O&M (OH Line)	0 m		\$	-	
Line Expansion O&M (UG Line)	0		\$	-	
Subdivision Line (OH Line)	0		\$	-	
Subdivision (UG Line)	2477		\$	2,558.74	
Estimated System Reinf. O&M per year			\$	31,776.61	
Estimated Yearly O&M			\$	68,515.41	
Estimated Total O&M Over F 25 Years			\$	1,712,885.16	PV \$ 886,979.63
					\$ 886,979.63

Total Cost of Connection					
				Total Capital Cost	\$ 850,665.11
				Total PV of O&M	\$ 886,979.63
				Total Cost Of Connection	\$ 1,737,644.75
					\$ 1,420,576.44



Basic Discounted Cash Flow Calculation

Summary of Revenues over Horizon

Residential Energy Kilowatt hours (kWh) Combined Averages for 286 UR	##### Energy Billed at a Rate of Rate Class customer(s)	2.918 cents per kWh
Residential Energy Kilowatt hours (kWh)		
Commercial Energy Kilowatt hours (kWh) Combined Averages for 1 GSe	1892.1600 Energy Billed at a Rate of Rate Class customer(s)	3.938 cents per kWh
Commercial Demand Kilowatts (kW)		
Monthly Combined Revenue	\$ 5,665.65	
Service Charges Totaled for the project	\$ 4,188.21	
Total	\$ 9,853.86	
Yearly Revenue	\$ 118,246.36	
Total Revenue Over 25 Years	\$ 2,956,159.02	PV \$ 1,530,781.46 \$ 1,530,781.46

Taxes, Tax Credits and Other Adjustments

PV Income Taxes	\$ 181,874.01		
CCA Tax Shield, and Municipal Taxes	\$ (130,709.12)		
PV Working Capital	\$ 6,349.69		
Capital Contribution Adjustment	\$ 47,998.21		
	\$ 105,512.79	PV \$ 105,512.79	\$ 105,512.79
Revenue After Tax		\$ 1,425,268.67	\$ 1,425,268.67

Summary of Costs and Revenues

Total Cost of Connection	\$ 1,737,644.75	\$ 1,420,576.44
Less Applicable Revenue After Tax	\$ 1,425,268.67	\$ 1,425,268.67
Customer Pays This Amount* plus Excluded Items and HST	\$ (312,376.08)	\$ 4,692.23

*Difference between the Total Cost of Connection and Revenue After Tax (note negative number indicates Capital Contribution is required)

** In the case of a credit, the maximum amount of this value is equal to the Contestable support of Option A

PV = Present Value

Rev 07/2011



Basic Discounted Cash Flow Calculation

This is how the Calculation relates to Sections 2.0, 3.0, 5.0A and 5.0B of your contract.

	Hydro One does all the work (Option A)	Alternative Bid Option (Option B)
Customer Contribution Required For The Connection (From Above)	\$ 312,376.08	\$ (4,692.23)
Less Pre Paid Amounts		
Line 1.1 Engineering Design Fees Paid	\$ 14,800.00	\$ 14,800.00
Line 3.4 Miscellaneous Approvals Paid	\$ -	\$ -
Plus Items Excluded From Receiving Support		
Incremental Cost For Pad-Mounted Transformer (NonContestable)	\$ -	\$ -
Work Site Inspector	\$ -	\$ 38,253.60
Returned Materials Charge	\$ -	\$ -
Sub Total	\$ 297,576.08	\$ 18,761.37
HST	\$ 38,684.89	\$ 2,438.98
Amount Due*	\$ 336,260.97	\$ 21,200.35

Average Support per Service	Option A	Option B
Residential Energy	\$ 4,928.42	\$ 4,435.58
Commercial Energy	\$ 15,741.45	\$ 14,167.31
Commercial Demand	\$ -	\$ -
Note: Option B Average Support Includes 10% Holdback for Warranty		

* Note: Section 4.0 charges are in addition to these amounts.

Rev 06/2011

3.2 The Developer hereby elects Option A by checking the box below and agrees and accepts all the figures contained in the Option A chart below:

Option A – Hydro One Networks Performs Non-Contestable Work and Contestable Work				
Part 1 Non-Contestable Work Firm Offer		TOTAL	PAID	DUE
1.0 Engineering & Design				
1.1	Design Costs (subject to GST)	\$ -	\$ -	\$ -
	Design Costs (subject to HST)	\$ 12,877.50	\$ (14,800.00)	\$ (1,922.50)
	Total Cost Section 1.1	\$ 12,877.50	\$ (14,800.00)	\$ (1,922.50)
	<i>Less: Revenue Support Applied To This Section (to a maximum of the cost above)</i>	\$ -	\$ -	\$ -
	Remaining Balance Section 1.1	\$ 12,877.50	\$ (14,800.00)	\$ (1,922.50)
2.0 Cost of Non-Contestable Work Other Than Line Expansion				
		TOTAL	PAID	DUE
2.1	Non-Contestable Subdivision Secondary Costs			
	Material	\$ 146,723.85	\$ -	\$ 146,723.85
	Labour	\$ 124,161.12	\$ -	\$ 124,161.12
	Equipment	\$ 70,279.88	\$ -	\$ 70,279.88
	Other Miscellaneous	\$ 16,398.64	\$ -	\$ 16,398.64
	Administration & Overheads	\$ 23,426.63	\$ -	\$ 23,426.63
	400A Meterbase Credit	\$ -	\$ -	\$ -
	Total Cost Section 2.1	\$ 380,990.11	\$ -	\$ 380,990.11
	<i>Less: Revenue Support Applied To This Section (to a maximum of the cost above)</i>	\$ 380,990.11	\$ -	\$ 380,990.11
	Remaining Balance Section 2.1	\$ -	\$ -	\$ -
2.2	Non-Contestable Subdivision Primary Costs			
	Material	\$ 95,874.57	\$ -	\$ 95,874.57
	Labour	\$ 23,242.95	\$ -	\$ 23,242.95
	Equipment	\$ 13,156.39	\$ -	\$ 13,156.39
	Other Miscellaneous	\$ 3,069.82	\$ -	\$ 3,069.82
	Administration & Overheads	\$ 4,385.46	\$ -	\$ 4,385.46
	Cost To Connect To An Existing Powerline	\$ -	\$ -	\$ -
	Forestry Cost (If Applicable)	\$ -	\$ -	\$ -
	Total Cost Section 2.2	\$ 139,729.19	\$ -	\$ 139,729.19
	<i>Less: Revenue Support Applied To This Section (to a maximum of the cost above)</i>	\$ -	\$ -	\$ -
	Remaining Balance Section 2.2	\$ 139,729.19	\$ -	\$ 139,729.19

Continued

3.2 Continued

The Developer hereby elects Option A by checking the box below and agrees and accepts all the figures contained in the Option A chart below:

Option A – Hydro One Networks Performs Non-Contestable Work and Contestable Work				
3.0 Cost Of Non-Contestable Line Expansion (If Applicable)				
		TOTAL	PAID	DUE
3.1	Non-Contestable Line Expansion Costs			
	Material	\$ -	\$ -	\$ -
	Labour	\$ -	\$ -	\$ -
	Equipment	\$ -	\$ -	\$ -
	Other Miscellaneous	\$ -	\$ -	\$ -
	Administration & Overheads	\$ -	\$ -	\$ -
3.2	Cost To Connect To An Existing Powerline	\$ -	\$ -	\$ -
3.3	Forestry Cost (If Applicable)	\$ -	\$ -	\$ -
3.4	Miscellaneous Approvals Such As Water Crossing, Railway Crossing, Pipeline Crossing, etc.	\$ -	\$ -	\$ -
3.5	Easements, Permits and Approvals	\$ -	\$ -	\$ -
	Total Cost Section 3.1 to 3.5	\$ -	\$ -	\$ -
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -
	Remaining Balance Section 3.1 to 3.5	\$ -	\$ -	\$ -
4.0 Cost of Contestable Work Other Than Line Expansion				
		TOTAL	PAID	DUE
4.2	Contestable Subdivision Secondary Costs			
	Material	\$ 96,914.95	\$ -	\$ 96,914.95
	Labour	\$ 62,015.99	\$ -	\$ 62,015.99
	Equipment	\$ 35,103.39	\$ -	\$ 35,103.39
	Other Miscellaneous	\$ 8,190.79	\$ -	\$ 8,190.79
	Administration & Overheads	\$ 11,701.13	\$ -	\$ 11,701.13
	Total Cost Section 4.1	\$ 213,926.25	\$ -	\$ 213,926.25
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 157,298.92	\$ -	\$ 157,298.92
	Remaining Balance Section 4.1	\$ 56,627.33	\$ -	\$ 56,627.33
4.2	Contestable Subdivision Primary Costs			
	Material	\$ 63,274.69	\$ -	\$ 63,274.69
	Labour	\$ 21,129.70	\$ -	\$ 21,129.70
	Equipment	\$ 11,960.21	\$ -	\$ 11,960.21
	Other Miscellaneous	\$ 2,790.72	\$ -	\$ 2,790.72
	Administration & Overheads	\$ 3,986.74	\$ -	\$ 3,986.74
	Total Cost Section 4.2	\$ 103,142.06	\$ -	\$ 103,142.06
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -
	Remaining Balance Section 4.2	\$ 103,142.06	\$ -	\$ 103,142.06

Continued

3.2 Continued

The Developer hereby elects Option A by checking the box below and agrees and accepts all the figures contained in the Option A chart below:

Option A – Hydro One Networks Performs Non-Contestable Work and Contestable Work				
5.0 Contestable Cost Of Line Expansion (If Applicable)				
5.1	Contestable Cost of Line Expansion	TOTAL	PAID	DUE
	Material	\$ -	\$ -	\$ -
	Labour	\$ -	\$ -	\$ -
	Equipment	\$ -	\$ -	\$ -
	Other Miscellaneous	\$ -	\$ -	\$ -
	Administration & Overheads	\$ -	\$ -	\$ -
	Total Cost Section 5.1	\$ -	\$ -	\$ -
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -
	Remaining Balance Section 5.1	\$ -	\$ -	\$ -
	Remaining balance on Non-Contestable and Contestable Work (Sections 1.0 through 5.0)	\$ 312,376.08	\$ (14,800.00)	\$ 297,576.08
Part 3 Non-Contestable and Contestable Work Above Standard Connection				
		TOTAL	PAID	DUE
6.0	Items Excluded From Receiving Support			
6.1	Pad-mount Transformer Incremental Cost (NonCont.)	\$ -	\$ -	\$ -
6.2	Returned Materials Charge	\$ -	\$ -	\$ -
	Total Cost Section 6.1 to 6.2	\$ -	\$ -	\$ -
Part 4 Totals				
	Revenue Shortfall (if applicable)	\$ -		\$ -
	Sub-Total (without Tax) for Option A	\$ 312,376.08	\$ (14,800.00)	\$ 297,576.08
	GST on Engineering and Design for Option A	\$ -	\$ -	\$ -
	HST on Engineering and Design for Option A	\$ 1,674.08	\$ (1,924.00)	\$ (249.93)
	HST on Remaining Items for Option A	\$ 38,934.82	\$ -	\$ 38,934.82
	Grand Total (with GST & HST) for Option A	\$ 352,984.97	\$ (16,724.00)	\$ 336,260.97
GST/HST# 870865821RT0001				
A-1	The Developer has paid the cost of Design and Staking, incurred by Hydro One Networks in the amount of =		\$ (16,724.00)	
A-2	The Developer shall pay 100% of the Remaining Cost to be incurred by Hydro One Networks at the time of signing of this Agreement, in the amount of =			\$ 336,260.97
A-3	Refund After Hydro One Networks Support Applied			\$ -
I Elect To Choose Option A <input type="checkbox"/>		← Signature		

3.3 The Developer hereby elects Option B by checking the box below and agrees and accepts all the figures contained in the Option B chart below:

Option B – Hydro One Networks Performs Non-Contestable Work Only				
Part 1 Non-Contestable Work Firm Offer		TOTAL	PAID	DUE
1.0	Engineering & Design			
1.1	Design Costs (subject to GST)	\$ -	\$ -	\$ -
	Design Costs (subject to HST)	\$ 12,877.50	\$ (14,800.00)	\$ (1,922.50)
	Total Cost Section 1.1	\$ 12,877.50	\$ (14,800.00)	\$ (1,922.50)
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -
	Remaining Balance Section 1.1	\$ 12,877.50	\$ (14,800.00)	\$ (1,922.50)
2.0	Cost of Non-Contestable Work Other Than Line Expansion			
		TOTAL	PAID	DUE
2.1	Non-Contestable Subdivision Secondary Costs			
	Material	\$ 146,723.85	\$ -	\$ 146,723.85
	Labour	\$ 124,161.12	\$ -	\$ 124,161.12
	Equipment	\$ 70,279.88	\$ -	\$ 70,279.88
	Other Miscellaneous	\$ 16,398.64	\$ -	\$ 16,398.64
	Administration & Overheads	\$ 23,426.63	\$ -	\$ 23,426.63
	400A Meterbase Credit	\$ -	\$ -	\$ -
	Total Cost Section 2.1	\$ 380,990.11	\$ -	\$ 380,990.11
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 380,990.11	\$ -	\$ 380,990.11
	Remaining Balance Section 2.1	\$ -	\$ -	\$ -
2.2	Non-Contestable Subdivision Primary Costs			
	Material	\$ 95,874.57	\$ -	\$ 95,874.57
	Labour	\$ 23,242.95	\$ -	\$ 23,242.95
	Equipment	\$ 13,156.39	\$ -	\$ 13,156.39
	Other Miscellaneous	\$ 3,069.82	\$ -	\$ 3,069.82
	Administration & Overheads	\$ 4,385.46	\$ -	\$ 4,385.46
	Cost To Connect To An Existing Powerline	\$ -	\$ -	\$ -
	Forestry Cost (If Applicable)	\$ -	\$ -	\$ -
	Total Cost Section 2.2	\$ 139,729.19	\$ -	\$ 139,729.19
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -
	Remaining Balance Section 2.2	\$ 139,729.19	\$ -	\$ 139,729.19

Continued

3.3 Continued

The Developer hereby elects Option B by checking the box below and agrees and accepts all the figures contained in the Option B chart below:

Option B – Hydro One Networks Performs Non-Contestable Work Only			
3.0 Non-Contestable Cost Of Line Expansion (If Applicable)			
	TOTAL	PAID	DUE
3.1 Non-Contestable Line Expansion Costs			
Material	\$ -	\$ -	\$ -
Labour	\$ -	\$ -	\$ -
Equipment	\$ -	\$ -	\$ -
Other Miscellaneous	\$ -	\$ -	\$ -
Administration & Overheads	\$ -	\$ -	\$ -
3.2 Cost To Connect To An Existing Powerline	\$ -	\$ -	\$ -
3.3 Forestry Cost (If Applicable)	\$ -	\$ -	\$ -
Miscellaneous Approvals Such As Water Crossing, Railway Crossing, Pipeline Crossing, etc.			
3.4	\$ -	\$ -	\$ -
3.5 Easements, Permits and Approvals	\$ -	\$ -	\$ -
Total Cost Section 3.1 to 3.5	\$ -	\$ -	\$ -
Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ -	\$ -	\$ -
Remaining Balance Section 3.1 to 3.5	\$ -	\$ -	\$ -
Remaining balance on Non-Contestable and Contestable Work (Sections 1.0 through 3.0)	\$ 152,606.69	\$ (14,800.00)	\$ 137,806.69
Total Unused Support Available For Contestable Work	\$ 157,298.92	\$ -	\$ 157,298.92
Total Remaining Balance	\$ (4,692.23)	\$ (14,800.00)	\$ (19,492.23)
Part 2 Non-Contestable Work Above Standard Connection			
4.0 Items Excluded From Receiving Support			
4.1 Pad-mount Transformer Incremental Cost	\$ -	\$ -	\$ -
4.2 Work Site Inspection (If Applicable)	\$ 38,253.60	\$ -	\$ 38,253.60
4.3 Returned Materials Charge	\$ -	\$ -	\$ -
Total Cost Section 4.1 to 4.2	\$ 38,253.60	\$ -	\$ 38,253.60
Part 3 Totals			
Revenue Shortfall (if applicable)	\$ -	\$ -	\$ -
Sub-Total (without Tax) for Option B	\$ 33,561.37	\$ (14,800.00)	\$ 18,761.37
GST on Engineering and Design for Option B	\$ -	\$ -	\$ -
HST on Engineering and Design for Option B	\$ 1,674.08	\$ (1,924.00)	\$ (249.93)
HST on Remaining Items for Option B	\$ 2,688.90	\$ -	\$ 2,688.90
Grand Total (with GST & HST) for Option B	\$ 37,924.35	\$ (16,724.00)	\$ 21,200.35
GST/HST# 870865821RT0001			
Continued			

3.3 Continued

The Developer hereby elects Option B by checking the box below and agrees and accepts all the figures contained in the Option B chart below:

Option B – Hydro One Networks Performs Non-Contestable Work Only				
Part 3 Totals Unused Support Available For Contestable work				
		TOTAL	PAID	DUE
B-1	The Developer has paid the cost of Design and Staking, incurred by Hydro One Networks in the amount of =		\$ (16,724.00)	
B-2	The Developer shall pay 100% of the Remaining Cost to be incurred by Hydro One Networks at the time of signing of this Agreement, in the amount of =			\$ 21,200.35
B-3	Refund After Hydro One Networks Support Applied			\$ -
I Elect To Choose Option B		<input type="checkbox"/>	_____ ← Signature	



Schedule “H” – Form of Transfer of Ownership of Primary Distribution System, Secondary Distribution System, Line Expansion and Residential Service Cables

**TRANSFER OF OWNERSHIP OF PRIMARY DISTRIBUTION SYSTEM, SECONDARY DISTRIBUTION SYSTEM, LINE EXPANSION AND RESIDENTIAL SERVICE CABLES
(CONSTRUCTED BY HYDRO ONE NETWORKS INC. OR DEVELOPER)**

Hydro One Networks Inc. Expansion/Connection #: 00351-12-116 Rev 06

Summit Park Phase 7

In accordance with the Multi-Service Connection Cost Agreement made between the undersigned Developer (the “**Developer**”) and Hydro One Networks Inc. dated the 27th day of July 2012 (the “**Agreement**”), the Developer hereby irrevocably conveys all rights, title and interest, free and clear of all present and future mortgages, liens, demands, charges, pledges, adverse claims, rights, title, retention agreements, security interests, or other encumbrances of any nature and kind whatsoever in the:

- (a) Primary Distribution System and any Line Expansion as described in Schedule “D” of the Agreement and as referred to in the said Agreement; and
- (b) that part of the Secondary Distribution System as described in Schedule “D” of the Agreement and as referred to in the said Agreement that has been installed as of the Energization Date of the Primary Distribution System; and
- (c) any Residential Service cables connected to the Secondary Distribution System described in (b) above on the Energization Date of the Primary Distribution System,

to Hydro One Networks Inc. with effect as of the Energization Date of the Primary Distribution System;


AND:

- (1) any addition to the Secondary Distribution System as described in Schedule “E” of the Agreement and as referred to in the said Agreement that is installed following the Energization Date of the Primary Distribution System; and
- (2) any Residential Service cables connected to the Secondary Distribution System ,

to Hydro One Networks Inc. with effect as of the Energization Date of the addition to the Secondary Distribution System described in (1) above.

Schedule "H" – Form of Transfer of Ownership of Primary Distribution System, Secondary Distribution System, Line Expansion and Residential Service Cables


Multi- Area Developments Inc.


Name: ALDO DESANTIS
Title: PRESIDENT
Date: SEPTEMBER 7, 2012

Name:
Title:
Date:
I/We have the authority to bind the Corporation.

Hydro One Networks Inc. hereby agrees to assume ownership and responsibility for operation and maintenance of the Primary Distribution System, the Secondary Distribution System, the Line Expansion and the Residential Service cables (all as described above) and as referred to in the said Agreement above on the respective Energization Dates described above.

HYDRO ONE NETWORKS INC.


Name: Gordon Messervey
Title: Supervising Planning & Design
Date: Sept 10, 2012
I have the authority to bind the corporation.