



EB-2013-0437

IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c. 15, Schedule B;

AND IN THE MATTER OF a Directive issued by the
Minister of Energy to the Ontario Energy Board under
section 28.6 of the *Ontario Energy Board Act, 1998* and
approved by the Lieutenant Governor in Council on
November 27, 2013 as Order in Council No. 1701/2013.

By delegation, before: Lynne Anderson

DECISION AND ORDER
January 9, 2014

Under section 28.6(1) of the *Ontario Energy Board Act, 1998* (the “Act”), the Minister of Energy (the “Minister”) may issue directives to the Ontario Energy Board (the “Board”) requiring the Board to take such steps as are specified in the directive relating to the connection of renewable energy generation facilities to a transmitter’s transmission system or a distributor’s distribution system. As stated in section 28.6(2) of the Act, such a directive may among other things require the Board to amend the licence conditions of a transmitter to require the transmitter to take the actions specified in the directive in relation to its transmission system, including enhancing, re-enforcing or expanding that system. In accordance with section 28.6(3) of the Act, such a directive may specify whether the Board is to hold a hearing for the purposes of implementing the directive.

On December 16, 2013, the Board received a directive issued by the Minister under section 28.6 of the Act (the “Transmission Directive”). The Transmission Directive was approved by the Lieutenant Governor in Council on November 27, 2013 as Order in Council No. 1701/2013. The Transmission Directive requires the Board to amend the transmission licence of Hydro One Networks Inc. (“Hydro One”) in relation to the

development of a certain transmission project “related to the expansion or reinforcement of [Hydro One’s] transmission system, in order to accommodate load due to forecast demand growth over the long term, to promote the use of clean and renewable energy sources from Ontario’s supply mix, and to enhance opportunities for the development and connection of new renewable generation facilities over the long term”. Order in Council No. 1701/2013 and the Transmission Directive refer to the transmission network in the area west of Thunder Bay, which the Order in Council notes is composed of high-voltage circuits connecting Thunder Bay to Kenora, through Atikokan, Dryden and Fort Frances.

The Transmission Directive describes at a high level the transmission project to be developed by Hydro One, and requires that the scope and timing of the project be established by Hydro One in accordance with the recommendations of the Ontario Power Authority (the “OPA”). To that end, the Transmission Directive also requires that Hydro One immediately work in co-operation with the OPA.

The Transmission Directive is attached as Appendix A to this Decision and Order. In accordance with the Transmission Directive, the Board is required to amend Hydro One’s transmission licence without a hearing.

Hydro One will be required to report to the Board on progress towards the implementation of the conditions being added to its transmission licence today in furtherance of the Transmission Directive, as set out below.

THE BOARD THEREFORE ORDERS THAT:

1. Hydro One’s transmission licence ET-2003-0035 is amended by adding the following new conditions:

19.5 Immediately following January 9, 2014 the Licensee shall, for the purposes of accommodating load due to forecast demand growth over the long term, promoting the use of clean and renewable energy sources from Ontario’s supply mix, and enhancing opportunities for the development and connection of new renewable generation facilities over the long term, work in co-operation with the Ontario Power Authority to establish the scope and timing of the transmission project referred to in paragraph 19.6.

- 19.6 The Licensee shall develop and seek approvals for the expansion or reinforcement of a portion or portions of the Licensee's electricity transmission network in the area west of Thunder Bay (the "Northwest Bulk Transmission Line Project"). The scope and timing of the Northwest Bulk Transmission Line Project shall be in accordance with the recommendations of the Ontario Power Authority made in the course of the Ontario Power Authority's transmission planning activities conducted in accordance with its statutory mandate, objects and responsibilities under the *Electricity Act, 1998*, including with any transmission planning activities identified in any direction issued, or to be issued, by the Minister of Energy to the Ontario Power Authority pursuant to Part II.2 of the *Electricity Act, 1998*.
2. Hydro One shall file with the Board, within fourteen days of receipt, a copy of any recommendations received from the OPA related to the Northwest Bulk Transmission Line Project.
3. Hydro One shall file with the Board, within 30 days of completion, a document describing the scope and timing of the Northwest Bulk Transmission Line Project established in co-operation with the OPA.

DATED at Toronto, January 9, 2014

ONTARIO ENERGY BOARD

Original signed by

Lynne Anderson
Managing Director, Applications and Regulatory Audit

Appendix A

to

Decision and Order dated January 9, 2014

EB-2013-0437

Order in Council No. 1701/2013

and

Minister of Energy's Directive to the Ontario Energy Board

[See separate document attached]



Executive Council
Conseil des ministres

Order in Council
Décret

DEC 11 2013

On the recommendation of the undersigned, the Lieutenant Governor, by and with the advice and concurrence of the Executive Council, orders that:

Sur la recommandation du soussigné, le lieutenant-gouverneur, sur l'avis et avec le consentement du Conseil des ministres, décrète ce qui suit:

WHEREAS the Ontario Government finds it prudent to initiate development work to expand Ontario's transmission system in order to better serve the expected growth in the area west of Thunder Bay given anticipated growth in electrical load, to promote the use of clean and renewable energy sources from Ontario's supply mix, and to enhance opportunities for the development and connection of new renewable generation facilities over the long term;

AND WHEREAS the electricity transmission network in the area west of Thunder Bay is composed of the high-voltage circuits connecting Thunder Bay to Kenora, through Atikokan, Dryden, and Fort Frances;

AND WHEREAS it is intended that the development work focus on the expansion or reinforcement of a portion or portions of that electricity transmission network in the area west of Thunder Bay (the "Northwest Bulk Transmission Line Project");

AND WHEREAS it is anticipated that the Ontario Power Authority ("OPA") would make recommendations concerning the specific scope and timing of the above-noted project in accordance with its statutory mandate, objects and responsibilities pursuant to the *Electricity Act, 1998*, and as a function of its ongoing electricity resource planning activities;

AND WHEREAS the Government has determined that the preferred manner of proceeding is to require Hydro One Networks Inc. to undertake the development of the Northwest Bulk Transmission Line Project including to undertake any and all steps which are deemed to be necessary and desirable in order to seek required approvals;

AND WHEREAS the Minister of Energy has, with the approval of the Lieutenant Governor in Council, the authority to issue Directives pursuant to section 28.6 of the *Ontario Energy Board Act, 1998*, which relate to the connection of renewable energy generation facilities to a transmitter's transmission system or to a distributor's distribution system;

NOW THEREFORE the Directive attached hereto, is approved.

Recommended: _____

Minister of Energy

Concurred: _____

Chair of Cabinet

Approved and Ordered: _____

NOV 27 2013

Date

Lieutenant Governor

O.C./Décret 1701/2013

Certified to be a true copy

Anna Valero
Deputy Clerk, Executive Council

MINISTER'S DIRECTIVE

TO: THE ONTARIO ENERGY BOARD

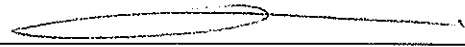
I, Bob Chiarelli, hereby direct the Ontario Energy Board ("Board") pursuant to section 28.6 of the *Ontario Energy Board Act, 1998* as follows:

1. The Board shall amend the licence conditions of Hydro One Networks Inc.'s ("Hydro One") electricity transmission licence to include a requirement that Hydro One proceed to do the following related to the expansion or reinforcement of its transmission system, in order to accommodate load due to forecast demand growth over the long term, to promote the use of clean and renewable energy sources from Ontario's supply mix, and to enhance opportunities for the development and connection of new renewable generation facilities over the long term:

- (i) Develop and seek approvals for the Northwest Bulk Transmission Line Project, which shall be composed of the expansion or reinforcement of a portion or portions of the electricity transmission network in the area west of Thunder Bay.
- (ii) Immediately work in co-operation with the Ontario Power Authority ("OPA") to establish the scope and timing for the Northwest Bulk Transmission Line Project. The scope and timing of the project to be carried out by Hydro One shall accord with the recommendations of the OPA.

It is anticipated that the OPA's recommendations will be made in the course of the OPA's transmission planning activities, conducted in accordance with its statutory mandate, objects and responsibilities under the *Electricity Act, 1998*, including with any transmission planning activities identified in any direction issued, or to be issued, by the Minister of Energy to the OPA pursuant to Part II.2 of that Act.

2. The Board shall make the amendments to the electricity transmission licence of Hydro One without holding a hearing.


Minister of Energy