

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

AND IN THE MATTER OF an application by Orangeville Hydro Limited for an order to amend its Electricity Distribution License (ED-2002-0500) pursuant to section 74 of the *Ontario Energy Board Act, 1998*

Service Area Amendment Application

ORANGEVILLE HYDRO LIMITED



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SCHEDULES:

- A. Township of East Luther Grand Valley Official Plan
- B. Plan of Survey for the Subject Area
- C. Map of Subject Area (version 1)
- D. Map of Subject Area (version 2)
- E. Diagram re: Existing Facilities Supplying the Area and Proposed Expansion Facilities to Supply the Subject Area
- F. Map of the Developer's Planned Future Subdivisions
- G. Applicant's Offer to Connect
- H. Incumbent Distributor's Offer to Connect
- I. Consent of Incumbent Distributor
- J. Letters of Support from Developer

APPLICATION

1. Introduction

Orangeville Hydro Limited (“**OHL**”) is filing this service area amendment (“**SAA**”) application with the Ontario Energy Board (the “**Board**”) under section 74 of the *Ontario Energy Board Act, 1998* for an order of the Board to amend the licensed service area in Schedule 1 of its electricity distribution license (ED-2002-0500).

The land that is the subject of this application (the “**Subject Area**”) is currently vacant farmland that is to be developed by Thomasfield Homes Ltd., as indicated by the plans of subdivision. The Subject Area is located adjacent to OHL's service area in the Town of Grand Valley (formerly the Township of East Luther Grand Valley) (“**Grand Valley**”). The Subject Area is currently located in the service territory of Hydro One Networks Inc. (“**Hydro One**”).

The Subject Area is owned by Thomasfield Homes Ltd. (the “**Developer**”). The Developer is proceeding with the necessary municipal and other approvals to develop a residential subdivision development on the Subject Area, which is described as the Mayberry Hills, Phase 2 development. Directly adjacent to the southeast corner of the Subject Area is a subdivision representing Phase 1 of the Mayberry Hills development (“**Phase 1**”), which was the subject of a prior SAA application to the Board. OHL submitted a SAA application in 2011 requesting the Board’s approval to allow OHL to service Phase 1. Via its Decision and Order EB-2012-0181, the Board determined that it was in the public interest that OHL provide distribution services to Phase 1.

For the reasons set out herein and those reflected in Decision and Order EB-2012-0181, OHL respectfully submits that it is in the public interest to amend Schedule 1 of its electricity distribution license to include the following legal description of the Subject Area lands:

Part of Lots 29 and 30, Concession 3, Geographic Township of East Luther,
Township of East Luther Grand Valley, Dufferin County.

In considering this application, OHL understands that the Board will be guided by the principles articulated in the Board's *Filing Requirements for Service Area Amendments, Chapter 7 of the Filing Requirements for Transmission and Distribution Application* and the Board's Decision with Reasons in the RP-2003-0044 combined service area amendments proceeding (the “**Combined Proceeding**”). OHL respectfully submits that this application satisfies those requirements.

Via a letter of support, the Developer has indicated that it prefers OHL as the distributor for the Subject Area.

Hydro One has agreed to consent to this SAA application and the required expansion of OHL’s service territory to service the Subject Area.

OHL requests that the Board consider this application via a written hearing.

2. General

(a) Contact Information

The contact information for the parties to this application is listed below.

Applicant:

George Dick
President
Orangeville Hydro Limited
PO Box 400
400 C Line
Orangeville ON L9W 2Z7

Telephone: 519-942-8000
Email: gdick@orangevillehydro.on.ca

Developer/Customer:

Paul Heitshu
Thomasfield Homes Limited
PO Box 1112
295 Southgate Drive
Guelph ON N1G 3M5

Telephone: 519-836-4332
Fax: 519-836-2119
Email: paulh@thomasfield.com

Incumbent Distributor:

Pasquale Catalano
Regulatory Analyst
Hydro One Networks Inc.
483 Bay Street
Toronto ON M5G 2P5

Telephone: 416-345-5405
Fax: 416-345-5866
Email: Pasquale.Catalano@HydroOne.com

Alternate Distributors:

There are no other alternate distributors.

(b) Reasons for Amendment

OHL submits that this application should be granted because the incumbent distributor, Hydro One, has consented to this application. Moreover, OHL submits that the proposed SAA is in the public interest as defined in the Combined Proceeding, and as recently interpreted in EB-2012-0181, for the following reasons:

1. The Developer's preference is that OHL service the Subject Area.
2. The proposed SAA is consistent with the objective of a rational and efficient service area alignment based on both economic and engineering efficiency.
3. The Subject Area (Mayberry Hills Phase 2) is the continuation of the residential subdivision that was started in 2012 (Mayberry Hills Phase 1), which was the subject matter of Decision and Order EB-2012-0181. The electrical infrastructure that was installed for the first phase of the residential subdivision can accommodate the anticipated load within the proposed phase 2 expansion.
4. OHL has infrastructure within close proximity to the Subject Area that can provide the required electrical service with minimal investment. The incumbent distributor (Hydro One) also has infrastructure in relatively close proximity to the property. Following discussions between the two distributors, the parties concluded that Hydro One's costs to service the property are greater than OHL and Hydro One agreed to consent to this SAA application.
5. OHL's connection proposal for the Subject Area is better or comparable to Hydro One's in terms of system planning, safety and service reliability.
6. The proposed SAA will not result in stranded or duplicated assets.
7. The incorporation of the remainder of the Subject Area Lands into OHL's service area will be seamless and result in a relatively smooth border. The Subject Area Lands will be adjacent and run parallel to an existing developed subdivision in Grand Valley and OHL's service territory.

There would be no load transfers eliminated as a result of the proposed SAA.

(c) Proposed Service Area – Description of Proposed Service Area

Almost all of the Subject Area is located within the urban residential boundaries of Grand Valley as evidenced by the Township of East Luther Grand Valley Official Plan attached as Schedule A.

The plan of subdivision for the Subject Area is attached as Schedule B. The legal description of the Subject Area is: Part of Lots 29 and 30, Concession 3, Geographic Township of East Luther, Township of East Luther Grand Valley, Dufferin County.

As reflected in the attached plan of subdivision, the legal description of the Subject Area specifically includes: Lots 1 to 141 inclusive of Blocks 142 to 147 inclusive the road widening Blocks 147 and the reserve Blocks 149 to 155 inclusive and the streets namely Mayberry Drive, Ritchie Drive, Hunt Street, Stuckey Lane, McIntyre Lane, Hilborn Street and Beam Street.

The Subject Area, which is located on currently vacant farmland that is to be developed by the Developer, as indicated by the plans of subdivision, is illustrated in the maps attached as Schedules C and D.

The areas to the north and west of the Subject Area are largely vacant farmland as well. The areas to the south and east of the Subject Area are residential subdivisions that are currently serviced by OHL.

(d) Proposed Service Area – Maps and Diagrams

The following maps, diagrams and pictures are attached as schedules:

- | | | |
|------------|---|---|
| Schedule A | - | Township of East Luther Grand Valley Official Plan |
| Schedule B | - | Plan of Survey for the Subject Area |
| Schedule C | - | Map 1 of Subject Area |
| Schedule D | - | Map 2 of Subject Area |
| Schedule E | - | Diagram re: Existing Facilities Supplying the Area and Proposed Expansion Facilities to Supply the Subject Area |
| Schedule F | - | Map 3 of the Developer's Planned Future Subdivisions |

Collectively, the above maps and diagrams identify the area subject to the proposed SAA, the borders of OHL's and the incumbent distributor's service areas, the territory surrounding the subject area, the geographical and geophysical features of the area, and the existing and proposed future facilities supplying the subject area. The attached maps and diagrams are based on the best information available at the time of submission of this application and some elements may be approximate.

(e) Distribution Infrastructure – Description of Proposed Physical Connection

The proposed physical connection covered by this SAA application is a residential subdivision. The residential subdivision is expected to have 141 lots (141 single detached homes). Once connected and fully occupied, the Subject Area will represent approximately 200kW to 400kW of peak load. The developer has requested a connection date in the year 2015.

A diagram illustrating the existing facilities supplying the area and OHL's proposed expansion facilities to connect the Subject Area is attached as Schedule E.

(f) Distribution Infrastructure – Future Expansions in Adjacent Lands

A map of the existing and future subdivisions planned by the Developer is attached as Schedule F. There are limited details regarding the development and timing of these future subdivisions at this time. OHL therefore does not have sufficient information to develop and provide the Board with its plans for similar expansions in these areas. OHL will, however, be interested in supplying these future developments if it is in the public interest and, to this end, OHL has been cognizant of these future subdivisions when developing its plan of supply for the Subject Area.

3. Efficient Rationalization of the Distribution System

OHL submits that the proposed SAA will result in a rational and efficient service area realignment and OHL's proposal to connect the Subject Area will optimize the use of OHL's distribution assets.

(a) Location of the Points of Delivery and Connection

The diagram attached as Schedule E depicts the location of the point of delivery and the point of connection under OHL's SAA proposal. OHL has an existing reliable 7.2kV overhead distribution line (the "**F2 line**") that is adequate to supply the Subject Area and any future growth. The F2 line runs from the Grand Valley Distribution Station (the "**GV DS**") along the south side of Mill Street in Grand Valley to the Mayberry Hill Phase 1 subdivision (which was the subject of EB-2012-0181). OHL's proposal is to extend the underground infrastructure from Mayberry Hill Phase 1 subdivision and enter the Subject Area underground at the entrance of the proposed subdivision.

OHL understands that Hydro One will supply the Subdivision from Amaranth Street via its existing 7.2kV overhead distribution line (the "**F3 line**") as identified in Schedule E. Hydro One's F3 line runs from the GV DS through residential lots via a municipal right-of-way.

The GV DS is supplied from Hydro One's 44kV Feeder – M2.

(b) Proximity to Distribution System

The proximity of the parties' distribution systems to the Subject Area are illustrated in the line diagram at Schedule E. OHL's existing, well-developed distribution system runs adjacent to the Subject Area and the point of connection approximately 20 meters from the point of supply (the distance to be covered by the at 20 meter underground expansion described in Section 7.2.1 above). Hydro One's existing pole line is adjacent to the southern boundaries of the Subject Area.

(c) Fully Allocated Connection Costs

The connection costs set out below are reflected in OHL's and Hydro One's offers to connect and related economic evaluations which are attached as Schedule G and Schedule H, respectively.

(d) Stranded Equipment Costs

There will be no stranded equipment that would need to be de-energized or removed due to the proposed SAA.

(e) Infrastructure Reliability

Approval of this proposed SAA will not have any adverse effects on reliability in the Subject Area or the adjacent areas.

The proposed SAA will involve an immaterial expansion to OHL's existing distribution system. The Subject Area will be supplied by the GV DS regardless of which distributor connects and supplies the area.

(f) Cost-Effectiveness of Future Expansions

OHL's proposed infrastructure for connecting and supplying the Subject Area will support the expected 141 lots in the proposed development and is adequate for the anticipated growth in the applicable adjacent areas.

(g) Cost-Effectiveness of Improvements and Upgrades

OHL's proposed infrastructure will provide for cost-efficient improvements and upgrades in the Subject Area and adjacent areas.

4. Impacts Arising from the Proposed Amendment

(a) Description of Impacts – Affected Customers and Landowners

The Subject Area is currently vacant farmland that is to be developed by the Developer, as indicated by the plans of subdivision. There are no existing end use customers that would be affected. The Developer, who supports the proposed SAA, is the landowner in respect of the Subject Area.

(b) Description of Impacts - Customer Impacts within Subject Area

Approval of this SAA application will not result in any negative impacts on costs, rates, service quality and reliability. Instead, the proposed SAA will have a favourable customer impact in terms of costs, rates and service quality and reliability.

(c) Description of Impacts - Customer Impacts outside Subject Area

There are no negative impacts on costs, rates, service quality, and reliability for customers of any distributor outside the Subject Area arising as a result of the proposed SAA.

(d) Description of Impacts - Distributor Impacts

The impacts on each distributor involved in the proposed SAA have been described elsewhere in this application.

(e) Description of Impacts - Stranded and Redundant Assets

No assets will be stranded or become redundant if the proposed SAA is granted.

(f) Description of Impacts - Transferred Assets

There will be no assets transferred in connection with the proposed SAA.

(g) Description of Impacts - Transferred Customers

There will be no customers transferred in connection with the proposed SAA application.

(h) Description of Impacts - Eliminated Load Transfers or Retail Points of Supply

There will be no existing load transfers or retail points of supply that will be eliminated in connection with the proposed SAA.

(i) Description of Impacts - New Load Transfers or Retail Points of Supply

There will be no new load transfers or retail points of supply that will be created in connection with the proposed SAA.

(j) Evidence of Consideration and Mitigation of Impacts - Written Confirmation of Full Disclosure

OHL confirms that all affected persons have been provided with specific and factual information about the proposed SAA. The Developer has received offers to connect from both OHL and Hydro One.

(k) Evidence of Consideration and Mitigation of Impacts - Consent of Incumbent Distributor

As evidenced by the correspondence from the incumbent distributor attached as Schedule I, Hydro One consents to this SAA application.

(l) Evidence of Consideration and Mitigation of Impacts - Consent of Developer

A letter of support from the Developer is attached as Schedule J.

(m) Evidence of Consideration and Mitigation of Impacts - Mitigation Efforts related to Customer and Asset Transfers

There will be no customers or assets transferred in connection with the proposed SAA.

5. Customer Preference

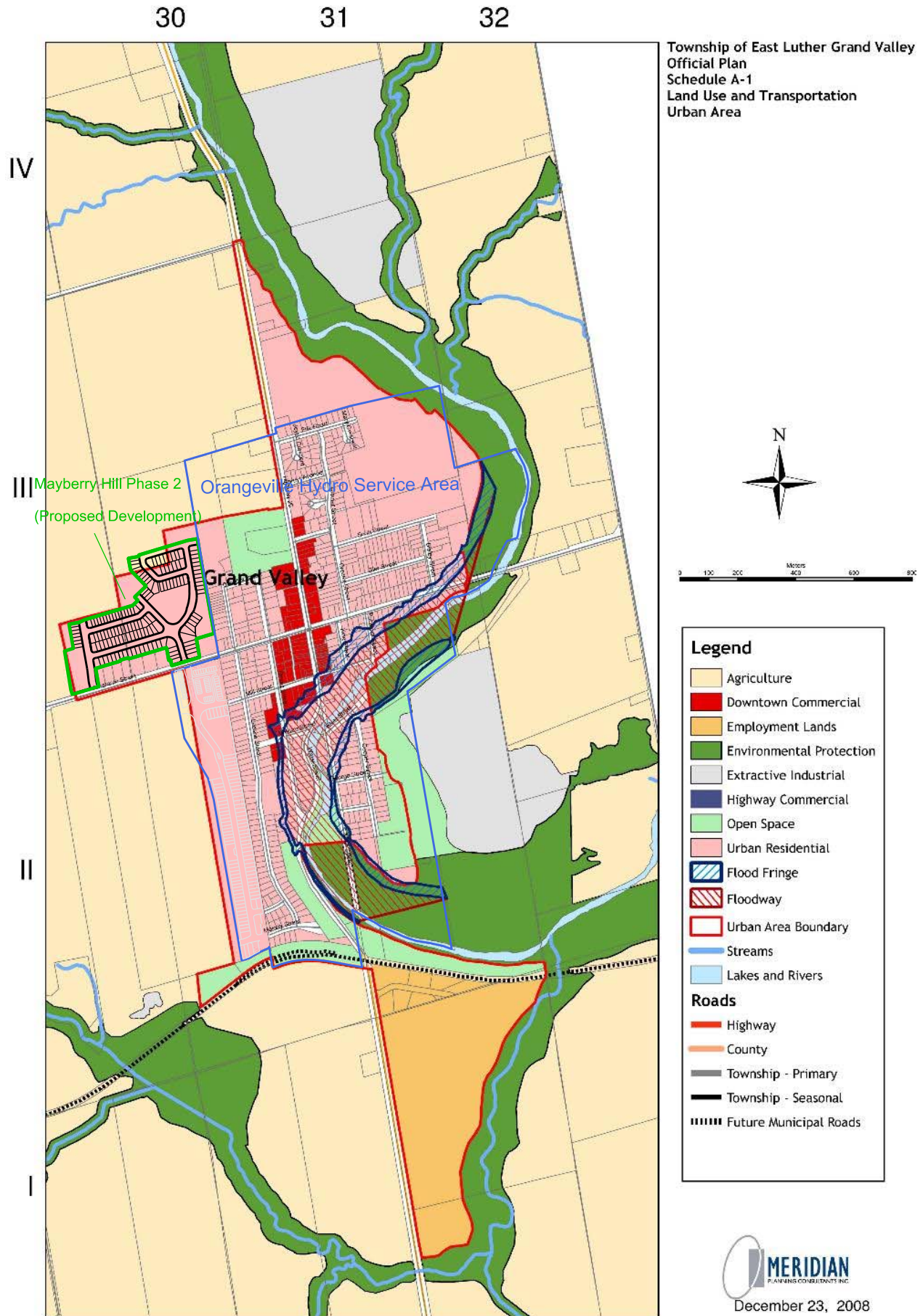
(a) Written Statement of Customer Preference

A letter of support from the Developer is attached as Schedule J.

- All of which is respectfully submitted -

Schedule A

See attached.



Map 5

Township of East Luther Grand Valley Official Plan
for Urban Land Use with Proposed Subdivision shown

Official Plan Map taken from Township of East Luther Grand Valley Website,
<http://www.eastluthergrandvalley.ca> on January 17th, 2012.

Schedule B

See attached.

PLAN OF SUBDIVISION
PART OF LOTS 29 AND 30, CONCESSION 3
GEOGRAPHIC TOWNSHIP OF EAST LUTHER
TOWNSHIP OF EAST LUTHER GRAND VALLEY
COUNTY OF DUFFERIN

SCALE 1 : 1000
VAN HARTEN SURVEYING INC.

THIS FINAL PLAN OF SUBDIVISION IS APPROVED UNDER
SECTION 51(58) OF THE PLANNING ACT ON
THE _____ DAY OF _____, 2014

PLAN 7M-

I CERTIFY THAT THIS PLAN IS REGISTERED IN THE REGISTRY OFFICE
FOR THE LAND TITLES DIVISION OF DUFFERIN (?) AT _____ O'CLOCK
ON THE _____ DAY OF _____, 2014 AND ENTERED IN THE PARCEL REGISTER
FOR PART OF PINS 34070-0013 AND 34070-0101 AND THE REQUIRED CONSENTS ARE REGISTERED
AS PLAN DOCUMENT No. _____

REPRESENTATIVE FOR LAND REGISTRAR FOR
LAND TITLES DIVISION OF DUFFERIN No. 7

THIS PLAN COMPRISES PART OF PINS 34070-0013 AND 34070-0101

OWNER'S CERTIFICATE

THIS IS TO CERTIFY THAT:

- LOTS 1 TO 141 INCLUSIVE, THE BLOCKS 142 TO 147 INCLUSIVE THE ROAD
WIDENING BLOCKS 147 AND THE RESERVE BLOCKS 149 TO 155 INCLUSIVE AND
THE STREETS NAMED MAYBERRY DRIVE, RITCHIE DRIVE, HUNT STREET, STUCKEY
LANE, MCINTYRE LANE, HILBORN STREET AND BEAM STREET HAVE BEEN LAID OUT
IN ACCORDANCE WITH MY INSTRUCTIONS.
- THE STREETS NAMED MAYBERRY DRIVE, RITCHIE DRIVE, HUNT STREET,
STUCKEY LANE, MCINTYRE LANE, HILBORN STREET AND BEAM STREET ARE
HEREBY DEDICATED TO THE CORPORATION OF THE TOWN OF GRAND VALLEY
AS PUBLIC HIGHWAYS.

THOMASFIELD HOMES LIMITED

DATE: _____
THOMAS KRIZIAN
PRESIDENT
I HAVE AUTHORITY TO BIND THE CORPORATION

SURVEYOR'S CERTIFICATE

I CERTIFY THAT:

- THIS SURVEY AND PLAN ARE CORRECT AND IN ACCORDANCE WITH
THE SURVEYS ACT, THE SURVEYOR'S ACT AND THE LAND TITLES ACT
AND THE REGULATIONS MADE UNDER THEM.
- THE SURVEY WAS COMPLETED ON THE _____

DATE: _____

JOHN SCOTT
ONTARIO LAND SURVEYOR

BEARING AND COORDINATE NOTE:

- BEARINGS ARE GRID BEARINGS AND ARE DERIVED FROM GPS
OBSERVATIONS AND ARE REFERRED TO THE UTM PROJECTION, ZONE 17,
NAD 83 (CSRS-2002) ADJUSTMENT.
- DISTANCES SHOWN ON THIS PLAN ARE ADJUSTED GROUND DISTANCES
AND CAN BE CONVERTED TO GRID DISTANCES BY MULTIPLYING BY AN
AVERAGED COMBINED SCALE FACTOR OF 0.999569
- COORDINATES ON THIS PLAN ARE UTM, ZONE 17, NAD83 (CSRS-2002)
ADJUSTMENT AND ARE BASED ON GPS OBSERVATIONS FROM A
NETWORK OF PERMANENT GPS REFERENCE STATIONS.

UTM COORDINATES (METRES)

POINT ID	NORTHING	EASTING
A	4,860,657.46	554,175.26
B	4,861,134.40	554,369.91
C	4,860,872.99	554,668.54

THESE COORDINATE VALUES COMPLY WITH SECTION 14(2) OREG 216/10.
ALL BARS ARE IN UNLESS OTHERWISE NOTED
DISTANCES ON CURVES ARE ARC DISTANCES (SEE CURVE DATA TABLE)

NOTE:

ALL BARS FOUND ARE UNLESS OTHERWISE NOTED
DISTANCES ON CURVES ARE ARC DISTANCES (SEE CURVE DATA TABLE)

LEGEND:

- DENOTES SURVEY MONUMENT SET
- DENOTES SURVEY MONUMENT FOUND
- SIB DENOTES .025 x .025 x 1.20 STANDARD IRON BAR
- IB DENOTES .015 x .015 x 0.60 IRON BAR
- SSIB DENOTES .025 x .025 x 0.60 SHORT STANDARD IRON BAR
- RP DENOTES ROCK POST
- WIT DENOTES WITNESS
- CC DENOTES CUT CROSS
- PW DENOTES POST AND WIRE FENCE
- VH DENOTES VAN HARTEN SURVEYING INC., O.L.S.'s
- BLK DENOTES BLACK, SHOWMAKER et al., O.L.S.'s
- 1253 DENOTES D.J. CULLEN, O.L.S.
- 121 DENOTES P.J. WILLIAMS, O.L.S.
- Y DENOTES YOUNG & YOUNG, O.L.S.

METRIC: DISTANCES AND CO-ORDINATES SHOWN ON THIS PLAN ARE IN
METRES AND CAN BE CONVERTED TO FEET BY DIVIDING BY 0.3048.

Van Harten
SURVEYING INC.
LAND SURVEYORS AND ENGINEERS

423 WOOLWICH STREET
GUELPH, ONTARIO N1H 3X3
PHONE: 519-821-2763
FAX: 519-821-2770
www.vanharten.com

660 RIDDELL ROAD, UNIT 1
ORANGEVILLE, ONTARIO L9W 5G5
PHONE: 519-940-4110
FAX: 519-940-4113
www.vanharten.com

DRAWN BY: G.S. CHECKED BY: J.S. PROJECT No. 20837-12

Aug 19, 2014 - 7:41am
C:\Users\George.Shirton\AppData\Local\Temp\AcPublish_4588\5_Taylor Subdivision UTM (Phase 2)Rev.dwg

Schedule C

See attached.



Map 1

Overhead View of Proposed Subdivision Relative to Existing Customers
with Proposed Lots and Right of Ways

Orangeville Hydro Limited Customers in light blue area

Hydro One Networks Inc. Customers at red points

Schedule D

See attached.



Map 2

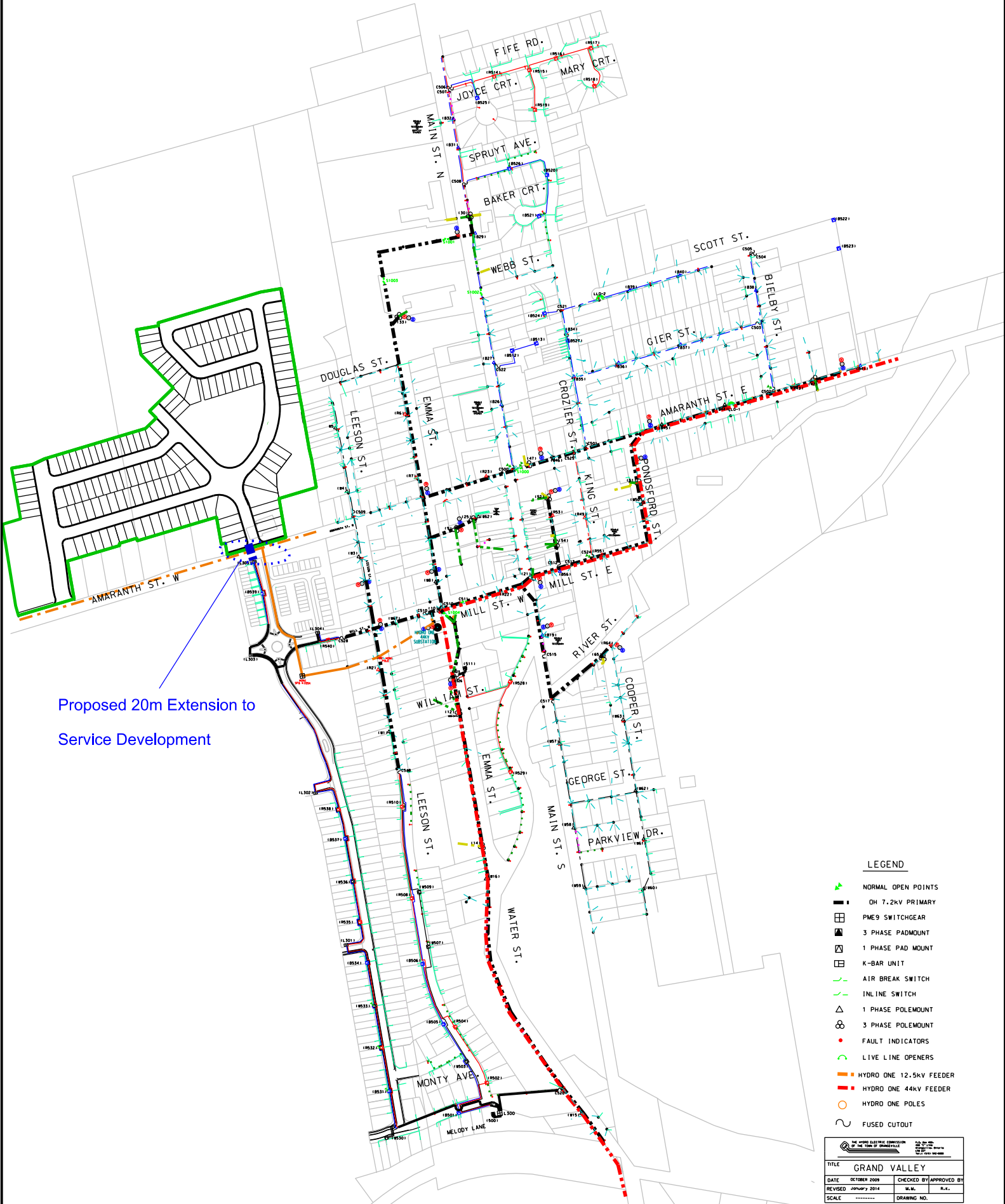
Overhead View of Proposed Subdivision Relative to
Orangeville Hydro Limited Service Area

Orangeville Hydro Limited Customers in light blue area

Hydro One Networks Inc. Customers at red points

Schedule E

See attached.



Proposed 20m Extension to
Service Development

LEGEND

- NORMAL OPEN POINTS
- OH 7.2kV PRIMARY
- PME9 SWITCHGEAR
- 3 PHASE PADMOUNT
- 1 PHASE PAD MOUNT
- K-BAR UNIT
- AIR BREAK SWITCH
- INLINE SWITCH
- 1 PHASE POLEMOUNT
- 3 PHASE POLEMOUNT
- FAULT INDICATORS
- LIVE LINE OPENERS
- HYDRO ONE 12.5kV FEEDER
- HYDRO ONE 44kV FEEDER
- HYDRO ONE POLES
- FUSED CUTOFF

THE HYDRO ELECTRIC COMMISSION OF THE TOWN OF GRAND VALLEY			
TITLE	GRAND VALLEY		
DATE	OCTOBER 2009	CHECKED BY	APPROVED BY
REVISION	JANUARY 2014	M.M.	R.S.
SCALE	*****	DRAWING NO.	

Schedule F

See attached.



Map 3

Overhead View of other Thomasfield Homes Property Relative to

Orangeville Hydro Limited Service Area

Orangeville Hydro Limited Customers in light blue area

Hydro One Networks Inc. Customers at red points

Property Owned by Thomasfield Homes in black

Note: Outlines of service area and properties is for demonstration only and is approximate

Schedule G

See attached.



Date: June 27th, 2014

To: Thomasfield Homes Ltd.
Attn: Paul Heitshu
PO BOX 1112 295 Southgate Drive
Guelph ON N1G 3M5

Re: Preliminary Offer to Connect – Mayberry Hill Subdivision Phase 2 – Grand Valley

Orangeville Hydro Limited ("Orangeville Hydro") is providing a Preliminary Offer to Connect ("Offer") to Thomasfield Homes Limited ("Developer") with respect to the connection of above stated subdivision project. All costs associated with this Offer are estimates and will be revised once actual costs are known. The costs associated with this Offer are assuming the Developer will construct all applicable Contestable Costs as stated in the Request for Electrical System Connection Form.

Non-Contestable Work: The estimate of costs for Non-Contestable Work included in the CHEC Economic Evaluation is **\$35,087.86**. See Schedule 1 for details.

The estimate for Non-Contestable Work consists of:

- a) Engineering Approval of Plans
- b) Provide isolation for contractor to install primary cables into existing switchgear
- c) Terminate primary cables in existing switchgear
- d) Inspection and energization of all Developer installed equipment
- e) Inspection and connection of 141 residential lots

Expansion Deposit: The Expansion Deposit required from the Developer in the form of a Letter of Credit is **\$540,603.28** as per the CHEC Economic Evaluation. This amount is due prior to Orangeville Hydro starting work. See Schedule 2 for details.

As previously stated, the Developer will construct all Contestable Work according to Orangeville Hydro standards and the Ontario Electrical Safety Code. The Developer is responsible to:

Civil Work

- a) Supply and install joint use trench
- b) Supply and install road crossings
- c) Supply and install **17** concrete transformer vaults with grounding
- d) Supply and install **5** concrete junction vaults with grounding

Transformers and Junctions

- e) Supply and install **7** – 50 kVA, 7200/120/240V, padmount transformers
- f) Supply and install **10** – 75 kVA, 7200/120/240V, padmount transformers
- g) Supply and install **5** – 4 Way junction units

Primary and Secondary Distribution

- h) Supply and install 3/0 and 250 MCM aluminum secondary in duct with marking tape and sand cover
- i) Supply and install 2/0 aluminum primary cable in duct with marking tape and sand cover
- j) Supply and install primary and secondary terminations



Estimated Connection Date: As stated in the Request for Electrical System Connection Form, the Estimated Connection Date is within the Year 2015.

Preliminary Transfer Price and Contributed Capital: The preliminary transfer price for the Developer installed assets of **\$661,705** and preliminary contributed capital is calculated as **\$323,381.85** based on 141 lots. The Developer cost per lot is estimated at **\$2,293.49**. The difference of the Developer installed assets (transfer price) and the cost to the Developer (contributed capital) results in an amount due to the Developer of **\$338,323.15 (\$2,399.46 per lot)**.

The final transfer price and contributed capital will be based on actual costs after the completion of construction and energization. The final transfer price will be applied to connections made within the 5-Year Connection Horizon. See Schedule 2 for details.

The Developer can revise the Request for Electrical System Connection prior to the execution of this Offer.

Your signature implies acceptance of the above mentioned Offer and will instruct Orangeville Hydro to begin work on the *CONSTRUCTION AGREEMENT DEVELOPER CONSTRUCTED (Alternative Bid)*.

Signature

Print Name

Title

Date

If you have any questions or concerns regarding the Offer, please do not hesitate to contact our office.

Yours Truly,

Bob Noble
Chief Operating Officer
Orangeville Hydro Limited

Please note said estimate is valid for 90 (ninety) days from the above mentioned date.



SCHEDULE 1

OFFER TO CONNECT NON CONTESTABLE ELECTRICAL PLANT INSTALLATION

Date: June 27th, 2014

To: Thomasfield Homes Ltd.
Attn: Paul Heitshu
PO BOX 1112 295 Southgate Drive
Guelph ON N1G 3M5

Re: Preliminary Offer to Connect – Mayberry Hill Subdivision Phase 2 – Grand Valley

The estimate below consists of the following:

- a) Engineering Design/Approval of Plans
- b) Provide isolation for contractor to install primary cables into existing switchgear
- c) Terminate primary cables in existing switchgear
- d) Inspection and energization of all Developer installed equipment
- e) Inspection and connection of 141 residential lots

	Labour & Trucking	Material	Other
Legal Costs			\$ 1,500.00
Connection Costs	\$ 22,397.64		
Energization Costs	\$ 1,873.25		
Engineering Costs	\$ 6,823.94		
Assist contractor to install primary cable into existing and energized switchgear and supply and install three terminations.	\$ 2,128.04	\$ 364.99	
		Subtotal:	\$ 35,087.86
		HST	\$ 4,561.42
		Grand Total:	\$ 39,649.28

The Subtotal of **\$35,087.86** is used in the CHEC Economic Evaluation model. These costs will reduce the amount due to Developer upon energization.

Payment to Orangeville Hydro, in the amount of **\$0** is required upon execution of this Offer.

SCHEDULE 2

Expansion - Economic Evaluation Model June 26, 2014									
Developer Summary									
Thomasfield Homes Ltd. - Mayberry Hill Subdivision Phase 2									
Section 1	This <u>calculation</u> and <u>transaction</u> takes place when the <u>model is first run</u> with estimated costs and updated at energization with actual costs.								
	Expansion Deposit (due to LDC prior to commencement of construction)								\$540,603.28
	Warranty Holdback (10% of Expansion Deposit for 2 years if Developer Installed)								\$54,060.33
	Expansion Deposit Available on Connection								\$486,542.95
Section 2	This <u>transaction</u> takes place at <u>energization</u> based on the actual costs of the project.								
	Transfer Price if Developer Installed (due to Developer)								\$661,705.00
	Capital Contribution (shortfall due to LDC)								\$323,381.85
	Net Due to Developer upon energization								\$338,323.15
Section 3	The transaction noted in Section 2 is based on inputted information from the Electrical System Connection Form provided by the Developer. When actual calculations are made there may be applicable impacts that the Developer is responsible for.								
	The following indicates the inputs utilized that may or may not need adjustment during the 5 year construction horizon								
	<u>Construction Costs</u>		<u>Expected Connections</u>		<u>Expected Avg Yrly Load/Cntn</u>				
	Contestable	661,705.00	Year 1	40					0.06
	Non-Contestable	35,087.86	Year 2	40					0.00
	Upstream Costs	0.00	Year 3	40					0.00
	TOTAL	696,792.86	Year 4	21					0.00
			Year 5	0					#DIV/0!
			TOTAL	141					

Schedule H

See attached.

MULTI-SERVICE CONNECTION COST AGREEMENT

Between

Thomasfield Homes Ltd.

And

Hydro One Networks Inc.



for

Mayberry Hill Subdivision Ph 2

THOMASFIELD HOMES LTD. (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 **02nd day of July 2014**, (the “**Agreement**”). The attached Standard Terms and Conditions for Multi-Service Connection Projects V3 1-2014 (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 # **00333-14-017 Rev 03**)
- 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 Mayberry Hill Subdivision Ph 2 at the property located at Lot 29/30, Conc. 3,3/2,2, Town of Grand Valley in the _____ as more particularly described in PIN _____, 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**”).

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; or
- (ii) Deliver the Capital Contribution to Hydro One upon the execution of the Agreement by the Developer; or
- (iii) Deliver the Expansion Deposit to Hydro One upon the execution of the Agreement by the Developer; or
- (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 \$719344.44

Easement Date:³ N/A

Customer Connection Horizon: 5 years

Required Execution Date: 2nd day of January 2015

Revenue Horizon: 25 years

Developer Notice Info:⁴

Thomasfield Homes Ltd.
P.O. Box 1112, 295 Southgate Drive, Guelph, N1G 3M5

Attention: Paul Heitshu

Fax: 519-836-2119

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(l) of the Standard Terms and Conditions.

⁴ See Section 13.5 of the Standard Terms and Conditions.

VI. Amendments

It is recognised 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: **Donovan Dockrill**
Title: **Supervisor Planning & Design**
Date:
I have the authority to bind the Corporation

Thomasfield Homes Ltd.

Name:
Title:
Date:

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 **00333-14-017 Rev 03**

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 # 00333-14-017 Rev 03

Schedule “E” –“Developer’s Load Forecast”

Residential Services

Rate Class	#of Lots	Sq. Ftge	Load Type	Service Size (Amps)
R1	141	2000 Sq Feet	Base + AC	200 Amp

Commercial Services

Rate Class	#of Lots	Secondary Voltage	Service Size (Amps)	Usage	Business Type
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Submitted by the Developer on this 28th day of January 2014.

Thomasfield Homes Ltd.

Name:
Title:
Date:

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

Schedule "F": Economic Evaluation Results

<u>Capital Costs and Charges</u>		Hydro One does all the work (Option A)	Alternative Bid Option (Option B)
Subdivision Expansion Cost	Total Length 2496 metres	\$ 403466.87	\$ 205491.08
Line Expansion Cost	Total Length 0 metres	\$ 0.00	\$ 0.00
	Subtotal	\$ 403466.87	\$ 205491.08
	Overheads and Interest during construction	\$ 56664.52	\$ 30150.88
	Total Capital Cost	\$ 460131.39	\$ 235641.96

<u>Operating and Maintenance Costs over 25 year revenue horizon</u>				
Estimated Connection O&M per year	\$ 17070.08			
Estimated Expansion O&M per year				
Line Expansion O/H Line Based on 0 m	\$ 0.00			
Line Expansion U/G Line Based on 0 m	\$ 0.00			
Subdivision O/H Line Based on 0 m	\$ 0.00			
Subdivision U/G Line Based on 2496 m	\$ 2578.37			
Estimated Yearly O&M	\$ 19648.45			
Estimated Total O&M Over 25 Years	\$ 491211.25	PV \$ 259213.05	\$ 259213.05	

<u>Total Cost of Connection</u>			
Total Capital Cost	460131.39		235641.96
Total PV of O&M	259213.05		259213.05
Total Cost of Connection	PV \$ 719344.44	\$	494855.01

Revenues over 25 year revenue horizon

kWh (Combined averages for 141 R1 customers)	97765.81464	Energy Billed at a Rate of 3.353 Cents per kWh for Delivery Charges			
Monthly Combined Revenue	\$ 3278.09				
Service Charge Totaled for the Project	\$ 2810.13				
Total	\$ 6088.22				
Yearly Revenue	\$ 73058.64				
Total Revenue Over (25) Years	\$ 1826466.00	PV	\$	963829.36	\$ 963829.36

Taxes, Tax Credits and Other Adjustments

PV Income Taxes	\$ 199054.11				
CCA Tax Shield, and Municipal Taxes	\$ -72209.26				
PV Working Capital	\$ 1796.96				
Capital Contribution Adjustment	\$ -21563.46				
PV of Taxes, Tax Credits and Other Adjustments	107078.35	PV	\$	107078.35	\$ 107078.35
Revenue After Tax		PV	\$	856751.01	\$ 856751.01

Summary of Costs and Revenues

Total Cost of Connection		\$	719344.44	\$	494855.01
Less Revenue After Tax		\$	856751.01	\$	856751.01
Customer Pays This Amount* plus Excluded Items and HST		\$	0.00	**	\$ -224489.43

*Difference between the Total Cost of Connection and Revenue After Tax

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

PV = Present Value

This is how the calculation relates to Option A and B of the Agreement.

	Hydro One does all the work (Option A)	Alternative Bid Option (Option B)
Customer Contribution Required For The Connection (from above)	\$ 0.00	\$ -224489.43
Less Pre Paid Amounts		
Line 1.1 Design Fees Paid	\$ 8350.00	\$ 8350.00
Line 3.4 Miscellaneous Approvals	\$ 0.00	\$ 0.00
Plus Items Excluded From Receiving Support (As per Section 3.1.6 of the Distribution System Code)		
Pad-mount Transformer Incremental Cost (NonContestable)	\$ 0.00	\$ 0.00
Work Site Inspection	\$ 0.00	\$ 24656.78
Returned Material Charge	\$ 0.00	\$ 0.00
Sub Total	\$ -8350.00	\$ -208182.65
HST	\$ -1085.50	\$ -27063.74
Amount Due*	\$ -9435.50	\$ -235246.39

Average Support Per Service	
Option A	\$ 5101.73
Option B	\$ 4591.56
Note: Option B Amount includes 10% Warranty Holdback	

Schedule “G”: Option A/Option B Charts

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	\$ 10668.75	\$ 8350.00	\$ 2318.75
	Total Cost Section 1.1	\$ 10668.75	\$ 8350.00	\$ 2318.75
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 10668.75	\$ 0.00	\$ 10668.75
	Remaining Balance Section 1.1	\$ 0.00	\$ 8350.00	\$ -8350.00
2.0	Cost of Non-Contestable Work Other Than Line Expansion			
		TOTAL	PAID	DUE
2.1	Non-Contestable Subdivision Secondary Costs			
	Material	\$ 70200.88		\$ 70200.88
	Labour	\$ 62313.05		\$ 62313.05
	Equipment	\$ 34982.76		\$ 34982.76
	Other Miscellaneous	\$ 0.00		\$ 0.00
	Administration & Overheads	\$ 12025.33		\$ 12025.33
	400A Meterbase Credit	\$ 0.00		\$ 0.00
	Total Cost Section 2.1	\$ 179522.02		\$ 179522.02
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 179522.02		\$ 179522.02
	Remaining Balance Section 2.1	\$ 0.00		\$ 0.00
2.2	Non-Contestable Subdivision Primary Costs			
	Material	\$ 16858.50		\$ 16858.50
	Labour	\$ 16297.83		\$ 16297.83
	Equipment	\$ 9149.66		\$ 9149.66
	Other Miscellaneous	\$ 0.00		\$ 0.00
	Administration & Overheads	\$ 3145.20		\$ 3145.20
	Cost To Connect To An Existing Powerline	\$ 0.00		\$ 0.00
	Forestry Cost (If Applicable)	\$ 0.00		\$ 0.00
	Total Cost Section 2.2	\$ 45451.19		\$ 45451.19
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 45451.19		\$ 45451.19
	Remaining Balance Section 2.2	\$ 0.00		\$ 0.00

Continued

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	\$ 0.00		\$ 0.00
	Labour	\$ 0.00		\$ 0.00
	Equipment	\$ 0.00		\$ 0.00
	Other Miscellaneous	\$ 0.00		\$ 0.00
	Administration & Overheads	\$ 0.00		\$ 0.00
3.2	Cost To Connect To An Existing Powerline	\$ 0.00		\$ 0.00
3.3	Forestry Cost (If Applicable)	\$ 0.00		\$ 0.00
3.4	Miscellaneous Approvals Such As Water Crossing, Railway Crossing, Pipeline Crossing, etc.	\$ 0.00	\$ 0.00	\$ 0.00
3.5	Easements, Permits and Approvals	\$ 0.00		\$ 0.00
	Total Cost Section 3.1 to 3.5	\$ 0.00		\$ 0.00
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 0.00		\$ 0.00
	Remaining Balance Section 3.1 to 3.5	\$ 0.00	\$ 0.00	\$ 0.00
4.0 Cost of Contestable Work Other Than Line Expansion				
		TOTAL	PAID	DUE
4.1	Contestable Subdivision Secondary Costs			
	Material	\$ 43407.02		\$ 43407.02
	Labour	\$ 33571.90		\$ 33571.90
	Equipment	\$ 18847.38		\$ 18847.38
	Other Miscellaneous	\$ 0.00		\$ 0.00
	Administration & Overheads	\$ 6478.79		\$ 6478.79
	Total Cost Section 4.1	\$ 102305.09		\$ 102305.09
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 102305.09		\$ 102305.09
	Remaining Balance Section 4.1	\$ 0.00		\$ 0.00
4.2	Contestable Subdivision Primary Costs			
	Material	\$ 74681.68		\$ 74681.68
	Labour	\$ 27076.52		\$ 27076.52
	Equipment	\$ 15200.85		\$ 15200.85
	Other Miscellaneous	\$ 0.00		\$ 0.00
	Administration & Overheads	\$ 5225.29		\$ 5225.29
	Total Cost Section 4.2	\$ 122184.34		\$ 122184.34
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 122184.34		\$ 122184.34
	Remaining Balance Section 4.2	\$ 0.00		\$ 0.00

Continued

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			
	Material	\$ 0.00		\$ 0.00
	Labour	\$ 0.00		\$ 0.00
	Equipment	\$ 0.00		\$ 0.00
	Other Miscellaneous	\$ 0.00		\$ 0.00
	Administration & Overheads	\$ 0.00		\$ 0.00
	Total Cost Section 5.1	\$ 0.00		\$ 0.00
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 0.00		\$ 0.00
	Remaining Balance Section 5.1	\$ 0.00		\$ 0.00

Remaining balance on Non-Contestable and Contestable Work (Sections 1.0 through 5.0)	\$ 0.00	\$ 8350.00	\$ -8350.00
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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.)	\$ 0.00		\$ 0.00
6.2	Pad-mount Transformer Incremental Cost (Contestable)	\$ 0.00		\$ 0.00
6.3	Returned Material Charge	\$ 0.00		\$ 0.00
	Total Cost Section 6.1 to 6.2	\$ 0.00		\$ 0.00

Part 4 Totals

Revenue Shortfall (if applicable)	\$ 0.00		\$ 0.00
Sub-Total (without HST) for Option A	\$ 0.00	\$ 8350.00	\$ -8350.00
HST for Option A	\$ 0.00	\$ 1085.50	\$ -1085.50
Grand Total (with HST) for Option A	\$ 0.00	\$ 9435.50	\$ -9435.50

GST/HST# 870865821RT0001

A-1	The Developer has paid the cost of Design and Staking, incurred by Hydro One Networks in the amount of =		\$ 9435.50	
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 =			\$ 0.00
A-3	Refund After Hydro One Networks Support Applied			\$ 9435.50

I elect to choose Option A

☐

← Signature

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	\$ 10668.75	\$ 8350.00	\$ 2318.75
	Total Cost Section 1.0	\$ 10668.75	\$ 8350.00	\$ 2318.75
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 10668.75	\$ 0.00	\$ 10668.75
	Remaining Balance Section 1.0	\$ 0.00	\$ 8350.00	\$ -8350.00
2.0	Cost of Non-Contestable Work Other Than Line Expansion			
		TOTAL	PAID	DUE
2.1	Non-Contestable Subdivision Secondary Costs			
	Material	\$ 70200.88		\$ 70200.88
	Labour	\$ 62313.05		\$ 62313.05
	Equipment	\$ 34982.76		\$ 34982.76
	Other Miscellaneous	\$ 0.00		\$ 0.00
	Administration & Overheads	\$ 12025.33		\$ 12025.33
	400A Meterbase Credit	\$ 0.00		\$ 0.00
	Total Cost Section 2.1	\$ 179522.02		\$ 179522.02
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 179522.02		\$ 179522.02
	Remaining Balance Section 2.1	\$ 0.00		\$ 0.00
2.2	Non-Contestable Subdivision Primary Costs			
	Material	\$ 16858.50		\$ 16858.50
	Labour	\$ 16297.83		\$ 16297.83
	Equipment	\$ 9149.66		\$ 9149.66
	Other Miscellaneous	\$ 0.00		\$ 0.00
	Administration & Overheads	\$ 3145.20		\$ 3145.20
	Cost To Connect To An Existing Powerline	\$ 0.00		\$ 0.00
	Forestry Cost (If Applicable)	\$ 0.00		\$ 0.00
	Total Cost Section 2.2	\$ 45451.19		\$ 45451.19
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 45451.19		\$ 45451.19
	Remaining Balance Section 2.2	\$ 0.00		\$ 0.00

Continued


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	\$ 0.00		\$ 0.00
	Labour	\$ 0.00		\$ 0.00
	Equipment	\$ 0.00		\$ 0.00
	Other Miscellaneous	\$ 0.00		\$ 0.00
	Administration & Overheads	\$ 0.00		\$ 0.00
3.2	Cost To Connect To An Existing Powerline	\$ 0.00		\$ 0.00
3.3	Forestry Cost (If Applicable)	\$ 0.00		\$ 0.00
3.4	Miscellaneous Approvals Such As Water Crossing, Railway Crossing, Pipeline Crossing, etc.	\$ 0.00	\$ 0.00	\$ 0.00
3.5	Easements, Permits and Approvals	\$ 0.00		\$ 0.00
	Total Cost Section 3.1 to 3.5	\$ 0.00		\$ 0.00
	Less: Revenue Support Applied To This Section (to a maximum of the cost above)	\$ 0.00		\$ 0.00
	Remaining Balance Section 3.1 to 3.5	\$ 0.00	\$ 0.00	\$ 0.00
	Remaining balance on Non-Contestable and Contestable Work (Sections 1.0 through 3.0)	\$ 0.00	\$ 8350.00	\$ -8350.00
	Total Unused Support Available For Contestable Work	\$ 224489.43		\$ 224489.43
	Total Remaining Balance	\$ -224489.43	\$ 8350.00	\$ -232839.43
Part 2 Non-Contestable Work Above Standard Connection				
4.0	Items Excluded From Receiving Support			
4.1	Pad-mount Transformer Incremental Cost	\$ 0.00		\$ 0.00
4.2	Work Site Inspection (If Applicable)	\$ 24656.78		\$ 24656.78
4.3	Returned Material Charge	\$ 0.00		\$ 0.00
	Total Cost Section 4.1 to 4.2	\$ 24656.78		\$ 24656.78
Part 3 Totals				
	Revenue Shortfall (if applicable)	\$ 0.00		\$ 0.00
	Sub-Total (without HST) for Option B	\$ -199832.65	\$ 8350.00	\$ -208182.65
	HST for Option B	\$ -25978.24	\$ 1085.50	\$ -27063.74
	Grand Total (with HST) for Option B	\$ -225810.89	\$ 9435.50	\$ -235246.39
GST/HST# 870865821RT0001				

Continued

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 =		\$ 9435.50	
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 =			\$ 0.00
B-3	Refund After Hydro One Networks Support Applied			\$ 235246.39
I elect to choose Option B <input type="checkbox"/> <div style="text-align: right;">  Signature </div>				

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 #: 00333-14-017 Rev 03

Mayberry Hill Subdivision Ph 2

In accordance with the Multi-Service Connection Cost Agreement made between the undersigned Developer (the “**Developer**”) and Hydro One Networks Inc. dated the 02nd day of July 2014 (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

Thomasfield Homes Ltd.

Name:

Title:

Date:

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: **Donovan Dockrill**

Title: **Supervisor Planning & Design**

Date:

I have the authority to bind the corporation

Schedule I

See attached.

Hydro One Networks Inc.

7th Floor, South Tower
483 Bay Street
Toronto, Ontario M5G 2P5
www.HydroOne.com

Tel: (416) 345-5393
Fax: (416) 345-5866
Joanne.Richardson@HydroOne.com

Joanne Richardson

Acting Director – Major Projects and Partnerships
Regulatory Affairs



BY COURIER

October 23, 2014

George Dick
President
Orangeville Hydro Limited.
P.O. Box 400, 400 C Line
Orangeville, ON L9W 2Z7

Dear Mr. Dick:

Orangeville Hydro Limited Application for Licence Amendment

This is to confirm that Hydro One Networks Inc. (“Hydro One”) supports your application to amend Orangeville Hydro Limited’s (“OHL”) Distribution Licence as proposed in OHL’s service area amendment application and listed below for ease of reference:

Part of Lots 29 and 30, Concession 3, Geographic Township of East Luther, Township of East Luther
Grand Valley, Dufferin County.

Also, Hydro One supports OHL’s request to proceed with this service area amendment without a hearing.

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson

Schedule J

See attached.



July 11, 2014

Hydro One Networks Inc.
420 Welham Road
Barrie ON L4N 8Z2

Attention: Mr. Donovan Dockrill
Supervisor, Planning & Design

Orangeville Hydro Ltd.
400 Line C, Box 400
Orangeville ON L9W 2Z7

Attention: Mr. Rob Koekkoek, P. Eng.

Re: Mayberry Hill Subdivision
Phase II
Town of Grand Valley

Gentlemen:

Thomasfield Homes has received two Offers to Connect to provide the hydro servicing for Phase II of the Mayberry Hill Subdivision in the Town of Grand Valley. The summary of the Offers to Connect received based on the Developer doing all works except the non-contestable works is as follows:

	<u>Hydro One</u>	<u>Orangeville Hydro</u>
Expansion Deposit	\$719,344.44	\$540,603.28
Developer Refund	\$235,246.39	\$338,323.15

We understand that these lands are currently in Hydro One's service area.

From an economic perspective, Orangeville Hydro's offer is preferred. Therefore, Thomasfield Homes respectfully requests that Orangeville Hydro be the Service Area Provider for Phase II of the Mayberry Hill Subdivision.

On the enclosed CD, please find the following information related to the Offer's to Connect received by Thomasfield Homes:

Hydro One

- Multi-Service Connection Cost Agreement dated July 2, 2014
- Preliminary Design Drawing # 00333-14-017 Rev 03 dated July 2, 2014

Orangeville Hydro

- Preliminary Offer to Connect dated June 27, 2014
- Preliminary Design Drawings 1 to 7 dated February 7, 2014

We trust this is the information required by the Hydro Utilities to address this matter.

Yours truly,
THOMASFIELD HOMES LIMITED
Per:

A handwritten signature in blue ink, appearing to read "Tom Krizsan", is written over the "Per:" line.

Tom Krizsan
President