



P.O. Box 2140
855 Confederation Street
Sarnia, Ontario N7T 7L6
Tel: (519) 337-8201
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October 30, 2014

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

RE: Service Area Amendment between Bluewater Power Distribution Corporation and Hydro One Networks Inc.

Dear Ms. Walli

Bluewater Power Distribution Corporation ("Bluewater Power") respectfully submits the enclosed documentation to request a minor Service Area Amendment. The proposed amendment is requested to service a new customer. The geographic distributor, Hydro One Networks Inc. ("Hydro One") is in support of the proposed amendment, therefore we ask that the Board dispose of this proceeding without a hearing in accordance to the provisions in Section 21 (4)(b) in the *Ontario Energy Board Act*.

The property in question is presently included in Hydro One's defined service area. Historically, a house on this property was physically connected to Bluewater Power's distribution system as a long term load transfer, but that house was demolished and the account has been inactive for a number of years. The property has been purchased by a new owner and a new residence has been constructed which warrants activation of a new service.

Bluewater Power proposes to amend Schedule 1 of Electricity Distribution License ED-2002-0517 to add the following:

7. [REDACTED]

Upon approval of this application, Hydro One's Distribution License would need to be amended as follows:

To be removed from Appendix B – Tab 1:

MUNICIPALITIES

Name of Municipality: Township of St. Clair
Formerly Known As: Township of Sombra, Township of Moore, as at December 31, 2000.

To be added to Appendix B – Tab 4:

MUNICIPALITIES IN WHICH A PORTION OF THE MUNICIPALITY IS SERVED BY THE LICENSEE AND
ANOTHER PORTION OF THE MUNICIPALITY IS SERVED BY ANOTHER DISTRIBUTOR

Name of Municipality: Township of St. Clair
Formerly Known As: Township of Sombra, Township of Moore, as at December 31, 2000
Area Not Served by Networks: The area served by Bluewater Power Distribution Corporation
described as [REDACTED]

Contact information for all parties is included in the Application at page 1.

Sincerely,



Leslie Dugas
Manager of Regulatory Affairs
Bluewater Power Distribution Corporation
Email: ldugas@bluewaterpower.com
Phone: 519-337-8201 Ext 2255

Enclosures

Cc: Pasquale Catalano (email) – Hydro One Networks Inc.

**Service Area Amendment Application
Bluewater Power Distribution Corporation
&
Hydro One Networks Inc.**

Introduction:

Bluewater Power Distribution Corporation (“Bluewater Power”) is submitting the pre-filed evidence herein in support of its application for an amendment to the Distribution License ED-2002-0517 to Schedule 1 – Definition of Distribution Service Area. This information has been prepared following the Ontario Energy Board’s “Filing Requirements for Service Area Amendment Applications” (“the Guide”) dated March 12, 2007 and generally follows the format of the Guide in the presentation of the evidence.

General Information:

Applicant: Bluewater Power Distribution Corporation
Incumbent Distributor: Hydro One Networks Inc.
Affected Parties: One new residential customer
Alternate Distributors: None

Contact Information:

Applicant: Bluewater Power Distribution Corporation
855 Confederation Street
Sarnia, ON
N7T 7L6

Leslie Dugas
Manager of Regulatory Affairs
(519) 337-8201 Ext 2255
ldugas@bluewaterpower.com

Alex Palimaka
VP, Corporate Services and General Counsel
(519) 337-8201 Ext 2292
apalimaka@bluewaterpower.com

Incumbent Distributor: Hydro One Networks Inc.
Pasquale Catalano
Regulatory Analyst, Regulatory Affairs
Phone: 416-345-5405
Fax: 416-345-5866
Email: regulatory@hydroone.com
483 Bay Street
South Tower, 7th Floor
Toronto, ON, M5G 2P5

Affected Customer(s): Property Owner (until November 7, 2014)
Elizabeth DeGroot



Builder (Initial Customer)
Scott Henderson - Henderson Builders Limited



Property Owner (as of November 7, 2014)
Dan & Jen Johnson



Reasons for Amendment:

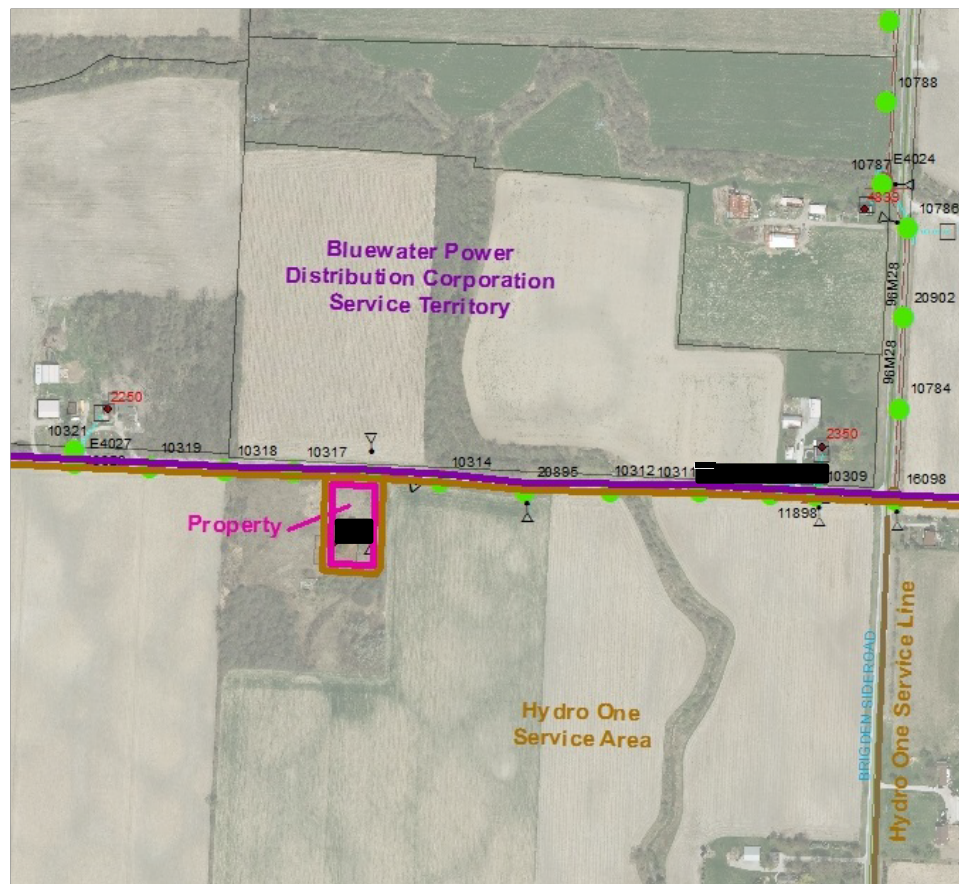
The amendment is proposed in order to serve a new residential customer. The land under this proposed amendment previously included a residential house that was serviced by a Long Term Load Transfer ("LTLT"). Under the previous LTLT, Bluewater Power was the physical distributor and Hydro One was the geographic distributor. The house had been vacant for a number of years; the vacant house has been demolished, and a new house is under construction on the property. As Hydro One's closest service is

nearly 500 meters away, and Bluewater Power lies along this new connection, it was mutually decided that it demonstrates better economic and engineering efficiency for Bluewater Power to service this new customer.

In order to service the new residence, Bluewater Power will install: a single phase 25 kVA transformer on the existing pole in front of this property on [REDACTED] a three conductor 3/0 Aluminum Triplex conductor underground from the pole to the meter base location, and a 4 jaw 120/240V meter.

Description of the Proposed Service Area:

The proposed amendment is for the property identified as [REDACTED]. The map below details the location of the property relative to the existing boundaries of Bluewater Power and Hydro One.



Distribution Infrastructure in and around the Proposed Amendment Area:

The proposed connection is for one residential property. Bluewater Power is not aware of any future expansion plans for the property or any adjacent area. Bluewater Power currently has a pole and primary line on the right-of-way in front of the property.

Hydro One's closest infrastructure is approximately 490 meters to the east, located just [REDACTED]
[REDACTED].

Efficient Rationalization of the Distribution System:

The proposed Service Area Amendment will optimize the use of Bluewater Power's existing infrastructure as the conductor is located across the street from this property. The feeder currently feeds other Bluewater Power customers that are located on the north side of [REDACTED] and, previously, serviced a building located on the affected property.

Description of Impacts:

1. Affected customers: there is one customer proposed to become a residential customer of Bluewater Power as noted above.
2. Impacts on Costs, Rates, Service Quality and Reliability for the proposed customer:

Cost: Bluewater Power has performed an economic evaluation and has charged the customer \$507.20 in order to connect to the distribution system. Alternatively, it would cost approximately \$100,000 to connect the customer to Hydro One's distribution system.

Rates: a favourable bill impact is expected for the customer as Bluewater Power has lower residential rates than Hydro One. The chart below compares the rates as of May 1, 2014 and is sourced from the Ontario Energy Board's Rate Calculator from their website www.ontarioenergyboard.ca. The Hydro One rates assume a Residential-Low Density (R2) rate using 800 kWh per month.

Table 1 – Comparison of Rates

	Bluewater Power	Hydro One Networks Inc
Electricity - off peak	\$ 38.40	\$ 38.40
Electricity - on peak	\$ 16.13	\$ 16.13
Electricity - mid peak	\$ 19.44	\$ 19.44
Delivery	\$ 46.21	\$ 80.32
Regulatory Charges	\$ 5.00	\$ 5.23
Debt Retirement Charge	\$ 5.60	\$ 5.60
Subtotal	\$ 130.78	\$ 165.12
HST	\$ 17.00	\$ 21.47
Subtotal	\$ 147.78	\$ 186.58
OCEB Credit	-\$ 14.78	-\$ 18.66
TOTAL	\$ 133.00	\$ 167.92
Variance	-26.3%	

Service Quality and Reliability: there will be no impact to service quality or reliability as this is a new customer.

3. Impacts on Customers outside the area: This SAA is not expected to have any impacts on customers outside of the immediate area.
4. Impacts on Each Distributor: Bluewater Power will see a marginal increase in revenue, with minimal impacts to operating and administrative costs. There will be no impact to Hydro One, as this is a new customer.
5. Assets Stranded or Redundant: No assets will be stranded or made redundant.
6. Assets Transferred: No assets will be transferred.
7. Customers Transferred: This property formerly had a residence on the land that was serviced as an LTLT. This proposed SAA will eliminate any future LTLT on this property.
8. New Load Transfers or Retail Points: None.

Evidence of Consideration and Mitigation of Impacts:

Bluewater Power and Hydro One have been in discussion on the servicing of this new customer, and Hydro One has provided written confirmation in support of this SAA, which is included as Attachment A.

Customer Preference:

Both the current land owner, and the new land owner have been informed of this SAA, and both are in support of Bluewater Power's application to service the property. A letter of support is included as Attachment B.

Additional Information Requirements for Contested Applications:

This application is not being contested by any affected party.

Attachments:

- A. Letter of Agreement from Hydro One
- B. Letter of support from affected customers

Hydro One Networks Inc.

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

Tel: (416) 345-5393
Fax: (416) 345-5870
Jaonne.Richardson@HydroOne.com

Joanne Richardson

Director – Major Projects and Partnerships
Regulatory Affairs



BY COURIER

October 29, 2014

Janice L. McMichael-Dennis
President and CEO
Bluewater Power Distribution Corporation
855 Confederation Street
Sarnia, ON
N7T 7L6

Dear Ms. McMichael-Dennis:

Bluewater Power Distribution Corporation Application for a Service Area Amendment – Hydro One Networks' Letter of Consent

This is to confirm that Hydro One Networks Inc. ("Hydro One") supports your application to amend Bluewater Power Distribution Corporation's ("Bluewater Power") Distribution Licence as proposed in Bluewater Power's service area amendment application to include the property with the description [Formerly Known As: Township of Sombra, Township of Moore, as at December 31, 2000], County of Lambton.

Also, Hydro One supports Bluewater Power's request to proceed with this service area amendment without a hearing.

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson

Bluewater Power Distribution Corporation
Attention: Brendan Smyth
P.O. Box 2140
855 Confederation Street
Samia, ON
N7T 7L6

September 10, 2014

Re: **HYDRO SERVICING FOR [REDACTED] ST. CLAIR, ONTARIO**

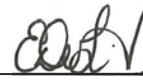
Dear Mr. Smyth,

I understand that Bluewater Power Distribution Corporation can provide electrical servicing for this property from [REDACTED]. I also understand that the closest Hydro One circuit is on Brigden Side Road and approximately 489m of single phase primary overhead conductor on [REDACTED] would need to be extended in order to service the property. .

While this property currently lies outside of Bluewater Power Distribution Corporation's licensed service area, I understand that Bluewater Power Distribution Corporation can apply to the Ontario Energy Board to amend their service area to include this property. I support Bluewater Power Distribution Corporation's application to become the licensed distributor for this property as their closer proximity will mean a more efficient installation of service, and lower monthly electricity bill for the eventual residents of the property.

Development of this property has already begun. I request that Bluewater Power Distribution Corporation take the necessary steps to become the distributor for this development as soon as possible. Please let me know if I can be of further assistance.

Per:



Name: Elizabeth DeGroot
Title: Current Property Owner

Henderson Builders Limited (initial BPDC customer)

Per:



Name: Scott Henderson
Title: President

Per:



Name: Dan Johnson

Title: Future Property Owner

Per:

Name: Jen Johnson

Title: **Future Property Owner**