HHHI Responses to OEB Staff Questions EB-2016-0366 - Exemption Request from S.6.5.3 of the DSC

1. Please confirm the Geographic and Physical distributors in the Load Transfer Arrangement between Halton Hills Hydro Inc. (HHHI) and Hydro One Brampton Networks Inc. (HOBNI).

Halton Hills Hydro Inc. is the Geographical Distributor and Hydro One Brampton Networks Inc. (HOBNI) is the Physical Distributor.

2. Please provide the exact number of customers and their rate classes involved in this Load Transfer Arrangement.

There are thirty-two (32) HHHI accounts currently energized by HOBNI on Winston Churchill Blvd. One of these accounts is General Service less than 50kW and the other thirty-one (31) are Residential.

3. Please describe the referenced road improvements on Winston Churchill Blvd. in detail and explain how they relate to the Load Transfer Arrangement Elimination. Does HHHI's requested exemption create new short term Load Transfer Arrangements? Or does this planned system access project involve existing Load Transfer customers?

As HHHI understands it, the road improvements on Winston Churchill Blvd. (WCB) will result in a reconstruction of the existing road surface and installation of road shoulders to both widen the road and improve drainage. Through meetings with the Region of Peel, Region of Halton, and HOBNI, it has been confirmed that both HOBNI and HHHI's infrastructure will be impacted, and need to be relocated. All parties have agreed in principle to a cost sharing arrangement whereby HOBNI would relocate their infrastructure on the east side of WCB and leave room for HHHI to have a circuit on the same poles. Since both utilities would use the poles, both would share the cost of the pole line. This project was included in HHHI's Distribution System Plan considered at HHHI's last Cost of Service Application (EB-2015-0074), and serves two purposes for HHHI: (a) it allows HHHI to become the physical distributor to the thirty-two (32) HHHI accounts noted in question 2 above; and (b) it would create a reliability loop with other HHHI assets further south. These two factors, taken together, justify HHHI's participation in the project and cost-sharing arrangement with HOBNI. If an exemption is not granted: (a) HHHI loses its ability to become the physical distributor to these customers; (b) HHHI loses its planned reliability loop; (c) HHHI loses funds spent to date on the project design, etc. (see response to question 4 below); and (d) HHHI will have no reason to share the costs of the pole line to be reconstructed along WCB (since HHHI would not be using the line), so those costs would be borne fully by HOBNI's customers.

The requested exemption will not create any new short term Load Transfers – HHHI does not expect the number of customers that are physically served by HOBNI (i.e., the 32 customers) to increase prior to completion of the WCB project. This planned system access project only involves existing Load Transfer customers.

This project mirrors a WCB widening project carried out in approximately 2010/2011 wherein HHHI was the physical distributor and HOBNI was the geographic distributor. A joint pole line was constructed on a cost sharing basis between the two utilities, following which HOBNI took over as physical distributor for those customers. This project is the reciprocal of that earlier project.

4. Please describe the steps that have been taken by each party in the past (including planning, design, etc.) for this particular project and what future steps are to be taken by each party. Please include a timeline for completion of each step (including steps to be taken by other parties, e.g. Region of Peel, Region of Halton and /or HOBNI and include technical drawings/plans etc. if necessary.

In 2012, both HHHI and HOBNI undertook infrastructure relocation designs for this portion of WCB. Those designs included property requirements that the LDCs requested the Region of Peel obtain prior to the LDCs being able to relocate the respective infrastructure. The design work continued in 2013. It is our understanding that the regional municipalities have been negotiating with landowners since 2013/2014 and that the negotiations continue. In July of 2015, HHHI and HOBNI received an updated road drawing with significant changes to the Region's plans but HHHI has not progressed with any further design work until the final impacts to our infrastructure are understood. The last correspondence (April 2016) with the Region of Peel's design firm Triton Engineering Services Limited indicated that the portion of WCB between Embelton Road (5 Side Road) and 10 Side Road will require utility relocations in 2019. HHHI had budgeted for this project in 2018 based on initial timeframes from the Region of Peel.

Additional information, from the Region, related to this project is included as Appendix A. The project is shown on the east side of the map and is labelled project ID 7341.

5. Please explain if this planned system access project had been brought to the OEB's attention (in the context of Load Transfer) and was specifically approved by the OEB during HHHI's Cost of Service proceeding. Please provide references to the OEB approved/issued documents, other than the DSP (if applicable) and any supporting project cost budgets specifically considered for the Load Transfer situation (if applicable).

This planned system access project had been brought to the OEB's attention as part of the Distribution System Plan approved in HHHI's 2016 Cost of Service Application EB-2015-0074 (page 88). There is no project cost budget related solely to the Load Transfer situation. The project costs are related to the Region directed road improvement.

We have reviewed HOBNI's submission of January 24, 2017 in respect of this application. HOBNI suggests that although our DSP was filed with the Board in October 2015 (as part of EB-2015-0074), a final rate decision was not issued until March 24, 2016 – which is about three months after the DSC amendments were finalized. HOBNI quotes from page 3 of the Board's correspondence accompanying the DSC amendments, which noted that any request for an exemption (such as the one sought here) would have to be accompanied by evidence that the expansion was approved by the OEB before the final amendments were made. To rely on this to deny HHHI's exemption request would be patently unfair, for no principled reason. The fact is that HHHI has been working and expending time and money on a project that would improve reliability and result in cost-sharing with a neighbouring utility for some time, and included that project in its DSP filed with the Board in August 2015 (not October 2015). The document quoted by HOBNI is a notice, and not a Board order, and cannot operate retroactively to nullify evidence that had been filed with the Board months earlier.

6. Please elaborate on the timeline of your "temporary exemption request from section 6.5.3 of the DSC" and advise how long HHHI would require to be exempted from section 6.5.3.

HHHI requests to be exempted from section 6.5.3 only for the length of time necessary to complete the Region directed road improvement – i.e., until such time as the project is complete and HHHI becomes the physical distributor to the 32 customers.

7. Is there any intention that the distributor ends up serving the above-mentioned customers permanently, after the exemption period is over (assuming exemption is granted)?

The result of the system access project would be HHHI serving its customer permanently at the conclusion of the project and exemption period.

8. Please confirm whether HHHI has had any conversations with HOBNI in this case (if yes, please advise on the outcome) and if to HHHI's knowledge, HOBNI agrees with HHHI's proposal.

As indicated above, HHHI and HOBNI have communicated about the project and agreed to the building of the joint pole line through collaborative meetings and designs between a HHHI Senior Engineering Technologist and HOBNI's Engineering Supervisor – Development. Unfortunately, HOBNI's submission of January 24, 2017 makes no mention of the collaborative work done between the two utilities to date, or in respect of the 2010/2011 reciprocal project.

HHHI response to OEB Staff EB-2016-0366 Temporary Exemption to DSC s.6.5.3 January 31, 2017

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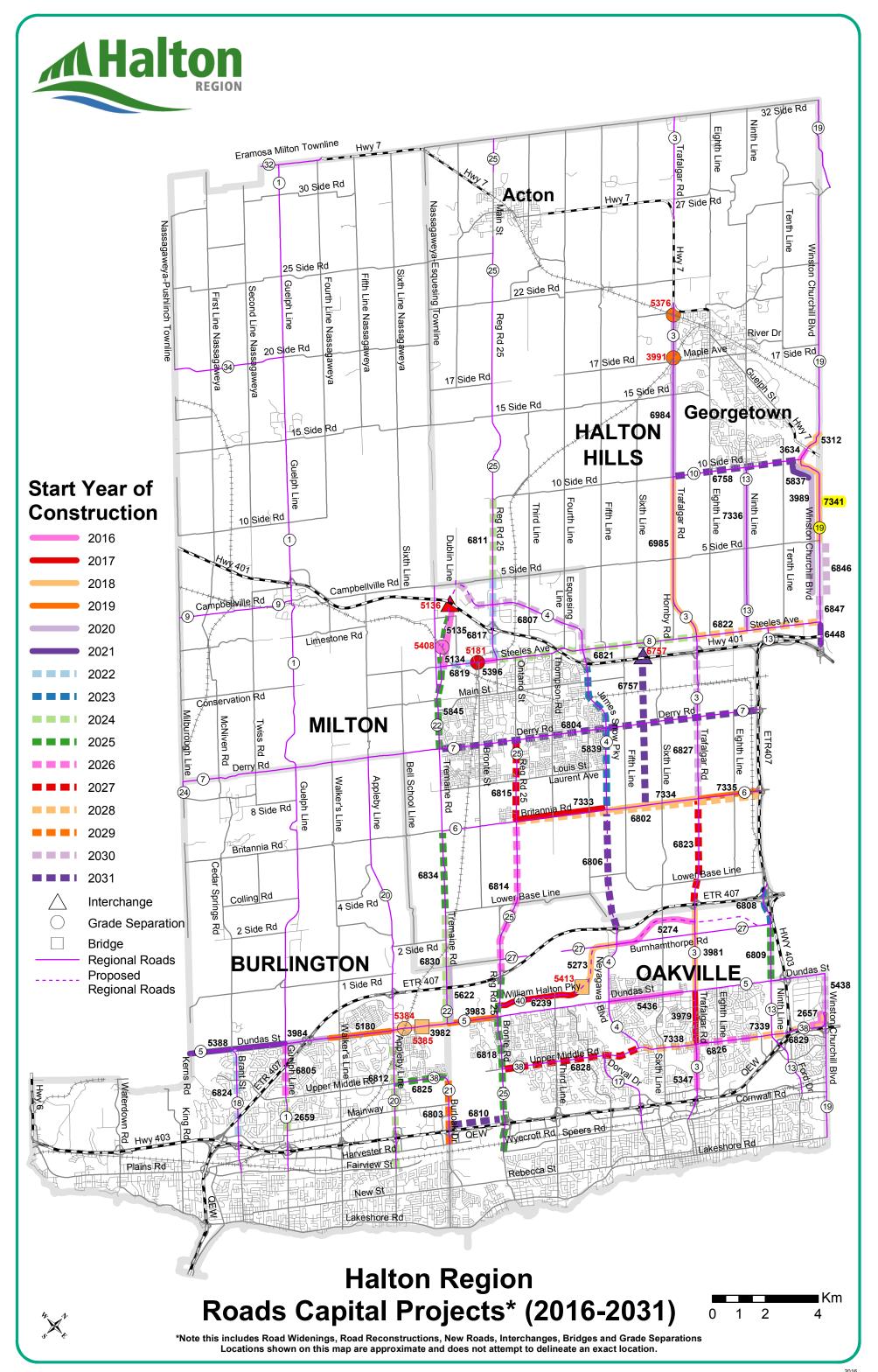
HHHI response to OEB Staff EB-2016-0366 Temporary Exemption to DSC s.6.5.3 January 31, 2017

Appendix A

Additional Region Information

HHHI response to OEB Staff EB-2016-0366 Temporary Exemption to DSC s.6.5.3 January 31, 2017

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RD#	ID	Regional Municipality of Halton Capital Projects (2016-2031)	Start Year Construction
1	2659	Project Descriptions Guelph Line - Widening - 4 to 6 lanes from Mainway to Upper Middle Road (BUR) (Regional Road 1)	2024
1	6805	Guelph Line - Widening - 4 to 6 lanes from Upper Middle Road to Dundas Street (BUR) (Regional Road 1)	2026
3	5347	Trafalgar Road - Widening - 4 to 6 lanes from Leighland Avenue to Upper Middle Road (OAK) (Regional Road 3)	2016
3	3979	Trafalgar Road - Widening - 4 to 6 lanes from Upper Middle Road to Dundas Street (OAK) (Regional Road 3)	2017
3	3981	Trafalgar Road - Widening - 4 to 6 lanes from Dundas Street to Highway 407 (OAK) (Regional Road 3)	2018
3	6823	Trafalgar Road - Widening - 4 to 6 lanes from Highway 407 to Britannia Road (MIL) (Regional Road 3) Trafalgar Road - Widening - 4 to 6 lanes from Britannia Road to Steeles Avenue (MIL/HHS) (Regional Road 3)	2027 2030
3	6827 6985	Trafalgar Road - Widening - 4 to 6 lanes from Britannia Road to Steeles Avenue (MIL/HHS) (Regional Road 3) Trafalgar Road - Widening - 2 to 4 lanes from Steeles Avenue to 10 Side Road (HHS) (Regional Road 3)	2030
3	6984	Trafalgar Road - Widening - 2 to 4 lanes from 10 Side Road to Highway 7 (HHS) (Regional Road 3)	2020
3	3991	Trafalgar Road - Grade Separation at CN Crossing North of Maple Avenue (HHS) (Regional Road 3)	2019
3	5376	Trafalgar Road - Grade Separation at Metrolinx Crossing South of Highway 7 (HHS) (Regional Road 3)	2019
4	6806	James Snow Parkway - New 6 lane road from Highway 407 to Britannia Road (MIL) (Regional Road 4)	2031
4	5839	James Snow Parkway - Widening - 4 to 6 lanes from Britannia Road to Highway 401 (MIL) (Regional Road 4)	2023
4 5	6807 5388	James Snow Parkway - Widening - 4 to 6 lanes from Highway 401 to 5 Side Road (MIL) (Regional Road 4) Dundas Street - Widening - 4 to 6 lanes from Kerns Road to Guelph Line (BUR) (Regional Road 5)	2030 2021
5	3984	Dundas Street - Widening - 4 to 6 lanes from Guelph Line to North Hampton Boulevard (BUR) (Regional Road 5)	2021
5	5180	Dundas Street - Widening - 4 to 6 lanes from Northampton Boulevard to Appleby Line (BUR) (Regional Road 5)	2019
5	3982	Dundas Street - Widening - 4 to 6 lanes (excluding CNR & Bronte Crk Bridges) from Appleby Line to Tremaine Road (BUR) (Regional Road 5)	2018
5	5384	Dundas Street - Grade Separation at CNR Crossing between Appleby Line and Tremaine Road (BUR) (Regional Road 5)	2018
5		Dundas Street - Bronte Creek Bridge between Appleby Line and Tremaine Road (BUR) (Regional Road 5)	2018
5 5	3983 5436	Dundas Street Widening - 4 to 6 lanes from Tremaine Road to Bronte Road (OAK) (Regional Road 5) Dundas Street - Widening - 4 to 6 lanes from Neyagawa Boulevard to Oak Park Boulevard (OAK) (Regional Road 5)	2019 2016
6		Britannia Road - Widening 2 to 4 lanes from Regional Road 25 to James Snow Parkway (MIL)	2010
6		Britannia Road - Widening - 2 to 4 lanes from James Snow Parkway to Trafalgar Road (MIL) (Regional Road 6)	2018
6	7335	Britannia Road - Widening - 2 to 4 lanes from Trafalgar Road to Highway 407 (MIL) (Regional Road 6)	2019
6	6802	Britannia Road - Widening - 4 to 6 lanes from Regional Road 25 to Highway 407 (MIL) (Regional Road 6)	2028
7	6804	Derry Road - Widening - 4 to 6 lanes from Tremaine Road to Highway 407 (MIL) (Regional Road 7)	2031
8		Steeles Avenue - Widening - 2 to 4 lanes from Tremaine Road to Industrial Drive (MIL) (Regional Road 8)	2022
8		Steeles Avenue - Grade Separation at CN crossing west of Bronte Street (MIL) (Regional Road 8) Steeles Avenue - Widening - 2 to 4 lanes from Industrial Drive to Martin Street (MIL) (Regional Road 8)	2017 2016
8		Steeles Avenue - Widening - 4 to 6 lanes from Regional Road 25 to Trafalgar (MIL/HHS) (Regional Road 8)	2024
8		Steeles Avenue - Widening - 4 to 6 lanes (with RBL) from Trafalgar Road to Winston Churchill Boulevard (HHS) (Regional Road 8)	2028
10	6758	10 Side Road - Widening - 2 to 4 lanes from Trafalgar Road to Winston Churchill Boulevard (HHS) (Regional Road 10)	2031
13	6809	Ninth Line - Widening - 2 to 4 lanes from Dundas Street to Burnhamthorpe Road (OAK) (Regional Road 13)	2025
13	6808	Ninth Line - Widening - 2 to 4 lanes from Burnhamthorpe Road to Highway 407 (OAK) (Regional Road 13)	2023
13 18	7336 6824	Ninth Line - Widening - 2 to 4 lanes from Steeles Avenue to 10 Side Road (HHS) (Regional Road 13) Brant Street - Widening - 4 to 6 lanes from North Service Road to Dundas Street (BUR) (Regional Road 18)	2020 2022
19	5438	Winston Churchill Boulevard - Widening - 4 to 6 lanes from Upper Middle Road / QEW to Dundas Street - (OAK) (Regional Road 19)	2030
19	6448	Winston Churchill Boulevard - Widening - 4 to 6 lanes from Highway 401 to Steeles Avenue (HHS) (Regional Road 19)	2021
19	6846	Winston Churchill Boulevard - Widening - 4 to 6 lanes from 2km south of 5 Side Road to 5 Side Road (HHS) (Regional Road 19)	2030
19	6847	Winston Churchill Boulevard - Widening - 5 to 7 lanes from Steeles Avenue to 2 km south of 5 Side Road (HHS) (Regional Road 19)	2030
19		Winston Churchill Boulevard - Widening - 2 to 4 lanes from 2km south of 5 Side Road to 10 Side Road - Halton's share (HHS) (Regional Rd 19)	2020
19 19		Winston Churchill Boulevard - Reconstruction from 5 Side Road to 10 Side Road (HHS) (Regional Road 19) Winston Churchill Boulevard - 2 Jane Reconstruction from 10 Side Road to Highway 7 (HHS) (Regional Road 10)	2018
19	3634 5312	Winston Churchill Boulevard - 2 lane Reconstruction from 10 Side Road to Highway 7 (HHS) (Regional Road 19) Winston Churchill Boulevard - 2 lane Reconstruction from Highway 7 to Old Pine Road (HHS) (Regional Road 19)	2016 2018
20		Appleby Line - Widening - 4 to 6 lanes from Fairview Street to Taywood Drive (BUR) (Regional Road 20)	2024
21		Burloak Drive - Widening - 4 to 6 lanes from Harvester Road to Upper Middle Road (BUR/OAK) (Regional Road 21)	2029
22	5622	Tremaine Road - 2 Iane Reconstruction from Dundas Street to 1 Side Road (BUR/OAK) (Regional Road 22)	2020
22	6830	Tremaine Road - Widening - 2 to 4 lanes from Dundas Street to Lower Base Line (BUR/OAK) (Regional Road 22)	2024
22	6834	Tremaine Road - Widening - 2 to 4 lanes from Lower Base Line to Britannia Road (BUR/OAK) (Regional Road 22) Tremaine Road - Widening - 4 to 6 lanes from Dorne Road to Highway 401 (MH) (Regional Road 23)	2025
22 22	5845 5408	Tremaine Road - Widening - 4 to 6 lanes from Derry Road to Highway 401 (MIL) (Regional Road 22) Tremaine Road - Grade Separation at CPR Crossing north of Steeles Avenue (MIL) (Regional Road 22)	2025 2016
22	5135	Tremaine Road - new 4 lane roadway from 16 Mile Creek to Tremaine Rd (IC)s (MIL) (Regional Road 22)	2016
22	5134	Tremaine Road - new 4 lane roadway from Steeles Avenue to 16 Mile Creek (MIL) (Regional Road 22)	2016
22	5136	Tremaine Road - new 4 lane roadway from Tremaine Road (IC)s to Tremaine Road (IC)n (MIL) (Regional Road 22)	2017
25		Bronte Road - Widening - 4 to 6 lanes from Speers Road to Highway 407 (OAK) (Regional Road 25)	2025
25 25		Regional Road 25 - Widening - 4 to 6 lanes from Highway 407 to Britannia Road (MIL) (Regional Road 25)	2026
25 25	6815 6817	Regional Road 25 - Widening - 4 to 6 lanes from Britannia Road to Derry Road (MIL) (Regional Road 25) Regional Road 25 - Widening - 4 to 6 lanes from Steeles Avenue to 5 Side Road (MIL) (Regional Road 25)	2027 2022
25		Regional Road 25 - Widening - 4 to 6 lanes from 5 Side Road to 10 Side Road (IMIS) (Regional Road 25)	2022
38	6825	Upper Middle Road - Widening - 4 to 6 lanes from Appleby Line to Burloak Drive (BUR) (Regional Road 38)	2025
38	6828	Upper Middle Road - Widening - 4 to 6 lanes from Bronte Road to Neyagawa Boulevard (OAK) (Regional Road 38)	2027
38	7338	Upper Middle Road - Widening - 4 to 6 lanes from Neyagawa Boulevard to Trafalgar Road (OAK) (Regional Road 38)	2028
38		Upper Middle Road - Widening - 4 to 6 lanes from Trafalgar Road to Grand Boulevard (OAK) (Regional Road 38)	2026
38 38	7339 6829	Upper Middle Road - Widening - 4 to 6 lanes from Grand Boulevard to Ninth Line/Ford Drive(OAK) (Regional Road 38) Upper Middle Road - Widening - 4 to 6 lanes from Ninth Line to Winston Churchill Boulevard (OAK) (Regional Road 38)	2028 2028
38	2657	Upper Middle Road - Widening - 4 to 6 lanes from Minth Line to Winston Churchill Boulevard (OAK) (Regional Road 38) Upper Middle Road - Widening - 2 to 4 lanes from Winston Park Drive to Winston Churchill Boulevard (OAK) (Regional Road 38)	2028
40	6239	William Halton Parkway - New 4 lane road from Regional Road 25 to Sixteen Mile Creek (OAK) (Regional Road 40)	2017
40	5413	William Halton Parkway - New 4 lane Bridge over Sixteen Mile Creek (OAK) (Regional Road 40)	2018
40	5273	William Halton Parkway - New 4 lane road from Sixteen Mile Creek to Neyagawa Boulevard (OAK) (Regional Road 40)	2018
40	5274	William Halton Parkway - New 4 lane road from Neyagawa Boulevard to Trafalgar Road (OAK) (Regional Road 40)	2016
	6757	"5 1/2 Line" - New 6 lane road from Britannia Road to Steeles Avenue and Interchange at Highway 401 (MIL) North Service Road - New 4 lane road from Burloak Drive to Broate Road (OAK)	2031
	6810 5837	North Service Road - New 4 lane road from Burloak Drive to Bronte Road (OAK) Norval Bypass (HHS)	2031 2021
	3037	11 V · · · - /	_021

From: malito:hWray@tritoneng.on.cc

Sent: April-13-16 4:58 PM **To:** Christopher Hale

Subject: RE: Winston Churchill Blvd.

Hi Chris

Sorry for not responding sooner.

Phase 1 which is the Norval Community from south of Green Street to the bridge is scheduled for construction in 2016. Property is not required. There is a pole to relocate at the corner of WCB and Nobel Street. I believe your strategy here requires the installation of duct, which can go in our contract. I will send you updated information on this location this week.

The next phase will be from Norval to Mayfield, 2019/20. Utility relocation would be 2018. Property acquisition on this section has not commenced.

The final phase will be Embleton to Norval, including the roundabout. This phase would be utilities 2019, construction 2020/21.

Howard Wray, P. Eng.



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