

March 31, 2017

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street, Suite 2701 Toronto, ON M4P 1E4

Dear Ms. Kirsten Walli:

Re:

Service Area Amendment

Erie Thames Powerlines Corporation -Distribution Licence ED-2002-0516

Harrisview Townhomes, 1 Chamberlain Dr., Ingersoll, ON

Please find attached a Service Area Amendment Application made pursuant to subsection 74 (1) (b) of the *Ontario Energy Board Act, 1998* (the "Application"). Erie Thames Powerlines Corporation is seeking approval form the Board to amend its Distribution Licence (ED-2002-0498) to include Block 63, Plan 41M-309 in the Town of Ingersoll which is the continuation of the residential subdivision that was the subject matter of Decision and Order EB-2011-0085. The affected customer has requested that Erie Thames be the electricity service provider, and Hydro One has consented to this Application.

The Application has been prepared in accordance with the Board's *Filing Requirements for Service Area Amendment Applications*. Since Hydro One has consented to this Application, Erie Thames respectfully requests that this Application proceed without a hearing.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Chris White President,

Erie Thames Powerlines Corporation



Service Area Amendment (SAA) Application

Erie Thames Powerlines Corporation
Distribution Licence ED-2002-0516

Submitted April 3, 2017

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APPLICATION

1. INTRODUCTION

Erie Thames Powerlines Corporation ("Erie Thames") is making an Application to the Ontario Energy Board ("OEB") for the purpose of amending the licenced service area of Erie Thames as described in Schedule 1 of its distribution Licence ED-2002-0516 to include Harrisview Townhomes at 1 Chamberlain Avenue in Ingersoll – Block 63, Plan 41M-309, in the Town of Ingersoll, County of Oxford ("the Subject Area"), owned by Sifton Properties Ltd. This property is immediately adjacent to the second phase of a development in Ingersoll, which was the subject of a previous Service Area Amendment (EB-2015-0254) which was granted to Erie Thames by Order of the OEB in the decision dated November 19, 2015.

The Subject Area is currently within the service territory of Hydro One Networks Inc. (Hydro One), and adjacent to the Erie Thames service area. The Subject Area is owned by Sifton Properties Ltd. ("Developer"), located in the Town of Ingersoll, and is designated for residential development.

The Subject Area is described as 1 Chamberlain Avenue in Ingersoll – Block 63, Plan 41M-309, in the Town of Ingersoll, County of Oxford.

For the reasons set out herein and those reflected in Decision and Order EB-2011-0085, Erie Thames respectfully submits that it is in the public interest to amend Schedule 1 of its electricity distribution license to add line 22:

22. 1 Chamberlain Avenue, Ingersoll, Ontario - Block 63, Plan 41M-309, in the Town of Ingersoll, County of Oxford.

In considering this application, Erie Thames 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"). Erie Thames respectfully submits that this application satisfies those requirements.

Via a letter of support (included as Schedule H), the Developer has indicated that it prefers Erie Thames as the distributor for the Subject Area.

Hydro One has agreed to consent to this SAA application (consent letter included as Schedule G) and the required expansion of Erie Thames' service territory to service the

Subject Area. Given the manner in which Schedule 1 of Hydro One's license is presented, it would not need to be amended if this SAA application is approved.

Erie Thames requests that the Board consider this application without a hearing.

2. GENERAL

(a) Contact Information:

The contact information for all affected parties is listed below.

Applicant:

Chris White, President
Erie Thames Powerlines Corporation
P.O. Box 157, 143 Bell Street
Ingersoll, Ontario N5C 3K5

Telephone: 519-485-1820 ext 235 Fax: 519-485-4703 Email address: cwhite@eriethamespowerlines.com

The Incumbent Distributor:

Pasquale Catalano, Regulatory Analyst Hydro One Networks Inc. 483 Bay Street, South Tower, 7th floor Toronto, Ontario M5G 2P5 Telephone: 416-345-5405 Fax: 416-345-5866

Email address: regulatory@HydroOne.com

(There are no other alternate distributors.)

The Registered Owner/Developer:

Matthew Robertson, Land Technician Sifton Properties Ltd. 195 Dufferin Avenue, Suite 800 London, ON N6A 1K7

Telephone: 519-434-3622 ext 237 Fax: 519-434-7693

Email: Matt.Robertson@Sifton.com

(b) Reasons for Amendment:

Erie Thames submits that this application should be granted because the incumbent distributor, Hydro One, has consented to this application. Moreover, Erie Thames submits that the proposed SAA is in the public interest as defined in the Combined Proceeding (RP-2003-0044), and as recently interpreted in EB-2011-0085, for the following reasons:

- 1. The Developer's preference is that Erie Thames 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 (1 Chamberlain Avenue, Ingersoll) Block 63, Plan 41M-309, in the Town of Ingersoll, County of Oxford is the continuation of the residential subdivision that was started in 2011 (Harrisview Phase 1), which was the subject matter of Decision and Order EB-2011-0085. The electrical infrastructure that was installed for the first phase of the residential subdivision can accommodate the anticipated load within the proposed addition of eleven (11) townhomes.
- 4. Erie Thames 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 Erie Thames and Hydro One agreed to consent to this SAA application.
- 5. Erie Thames' 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 Subject Area Lands into Erie Thames' service area

will be seamless. The Subject Area Lands will be adjacent to an existing developed subdivision in Ingersoll and Erie Thames' service territory.

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

(c) Proposed Service Area - Description:

The Subject Area is generally referred to as 1 Chamberlain Avenue, Ingersoll, with the legal description of Block 63, Plan 41M-309, in the Town of Ingersoll, County of Oxford and consists of one multi-family lot on land that is currently vacant. The Developer owns the vacant land to the south which includes approximately 70 additional residential lots (proposed to be Phase 3), and four blocks (137, 138, 139, and 140) which are planned for future development. Schedule B has the Phasing Plan with the townhomes outlined in blue.

(d) Proposed Service Area – Maps and Diagrams:

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

Schedule A – Draft Plan of Subject Area (townhomes)

Schedule B – Phasing Plan

Schedule C – Erie Thames Existing Infrastructure

Schedule D – Erie Thames Existing Service Boundary

Schedule E1 & E2 – Erie Thames Proposed Infrastructure

Schedule F – Erie Thames Proposed Service Boundary

Collectively, these maps identify the Subject Area, the existing borders of Erie Thames and Hydro One, the area around the Subject Area, and the existing and proposed infrastructure supplying the Subject Area. Some details (such as the exact quantity of lots and locations of lot lines) are subject to change as the development proceeds.

(e) <u>Distribution Infrastructure – Description of Proposed Physical Connection</u>:

The Subject Area is an extension of the first phase of a residential subdivision, consisting of one multi-family lot for eleven (11) townhomes and one house service. When completed and fully occupied, the Subject Area will add approximately 17 kW of load to the Erie Thames system. The Developer has requested a connection in early 2017.

The Subject Area will be supplied by extending the existing underground infrastructure previously installed in Phase 1. The existing and proposed infrastructure are shown in Schedule C and E.

<u>Distribution Infrastructure – Future Expansions in Adjacent Lands:</u>

The Site Plan in Schedule A and the Phasing Plan in Schedule B identify adjacent property owned by the Developer. As noted in these plans, there is another section of residential lots immediately to the south of Phase 2 (additional unserviced lots from Phase 2 and new lots in Phase 3), and four other Blocks slated for commercial, medium density, and public park/woodlot. Erie Thames anticipates making additional Service Area Amendment Applications for these developments if it is in the public interest, and has considered these potential developments in planning the supply for the Subject Area.

3. EFFICIENT RATIONALIZATION OF THE DISTRIBUTION SYSTEM

Erie Thames submits that the proposed SAA will result in a rational and efficient service area, and optimize the use of existing distribution assets.

(a) Location of the Points of Delivery and Connection:

Schedule E shows how the existing infrastructure from Phase 1 (secondary conductors) will be extended from transformer 1310 on Chamberlain Avenue to supply the townhomes. The existing infrastructure has ample capacity to supply the new load.

Erie Thames understands that Hydro One would supply this development by extending a new underground section of feeder (38M50) from Harris Street, along Chamberlain Avenue to reach the development. The section of Chamberlain Avenue from Harris Street to Chatfield Street would have no other connections. This supply point would be located downstream of an existing retail meter point on Harris Street.

(b) Proximity to Distribution System:

Erie Thames has existing assets within Phase 1 of this development as noted above, immediately adjacent to the Subject Area (townhomes). The nearest Hydro One assets are located on Harris Street, approximately 100m from the entrance to the townhome complex on Chamberlain Avenue.

(c) Fully Allocated Connection Costs:

The fully allocated connection costs for Erie Thames and Hydro One were reviewed jointly by both distributors to ensure an even comparison. These costs were used to prepare the Offers to Connect. The fully allocated connection costs for Erie Thames were less than the equivalent costs for Hydro One.

(d) Stranded Equipment Costs:

There will be no stranded equipment due to the proposed SAA.

(e) Infrastructure Reliability:

The proposed SAA will not have any adverse effects on reliability in the Subject Area or adjacent areas. There will be an incremental expansion of Erie Thames distribution system (secondary conductors from transformer 1310 on Chamberlain Avenue to supply the townhomes). The development would be supplied by the 38M50 feeder regardless of which distributor makes the connection.

(f) Cost-Effectiveness of Future Expansions:

The infrastructure proposed by Erie Thames will adequately supply the load expected in the Subject Area (townhomes), as well as the additional residential lots expected in Phase 3, and the potential medium density and commercial growth south of Phase 3. Erie Thames anticipates making additional Service Area Amendment Applications for these developments if it is in the public interest, and has considered these potential developments in planning the supply for the Subject Area.

(g) Cost-Effectiveness of Improvements and Upgrades:

The infrastructure proposed by Erie Thames will support cost-effective future improvements and upgrades in the area.

4. IMPACTS ARISING FROM THE PROPOSED AMENDMENT

(a) Description of Impacts – Affected Customers and Landowners:

The Subject Area is vacant land owned by the Developer, and is a continuation of an existing development by the same owner of which Erie Thames is the

distributor. The Developer supports the proposed amendment. There are no other customers affected.

(b) <u>Description of Impacts – Customer Impacts Within Subject Area:</u>

Approval of this SAA application will not result in any negative impacts on cost, rates, service quality, and reliability. The additional customers will have a marginally favourable impact on costs and rates due to the additional revenue.

(c) Description of Impacts – Customer Impacts Outside Subject Area:

Approval of this SAA application will not result in any negative impacts on cost, rates, service quality, and reliability. The additional customers will have a marginally favourable impact on costs and rates due to the additional revenue.

(d) <u>Description of Impacts – Distributor Impacts</u>:

Approval of this SAA application is not expected to have any impact on Hydro One. The additional revenue from the new customers will have a favourable impact on costs and rates for Erie Thames, without any adverse impacts to reliability or customer service.

(e) Description of Impacts – Stranded and Redundant Assets:

No assets will be stranded or made redundant as a result of this SAA.

(f) <u>Description of Impacts – Transferred Assets</u>:

No assets will be transferred as a result of this SAA.

(g) <u>Description of Impacts – Transferred Customers</u>:

No customers will be transferred as a result of this SAA.

(h) Description of Impacts – Eliminated Load Transfers or Retail Points:

No existing load transfers or retail points of supply will be eliminated by this SAA.

(i) Description of Impacts – New Load Transfers or Retail Points:

No new load transfers or retail points of supply will be created by this SAA.

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

Erie Thames confirms that all affected parties have been provided with specific and factual information about the proposed SAA. Erie Thames and Hydro One have reviewed this SAA.

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

Hydro One has consented to this SAA, and a copy of the letter of consent is attached as Schedule G.

(I) Evidence of Consideration and Mitigation of Impacts – Consent of Developer:

The Developer (Sifton Properties Limited) has provided their consent via a letter of support attached as Schedule H.

(m) <u>Evidence of Consideration and Mitigation of Impacts – Mitigation Efforts Related to Customer and Asset Transfer</u>:

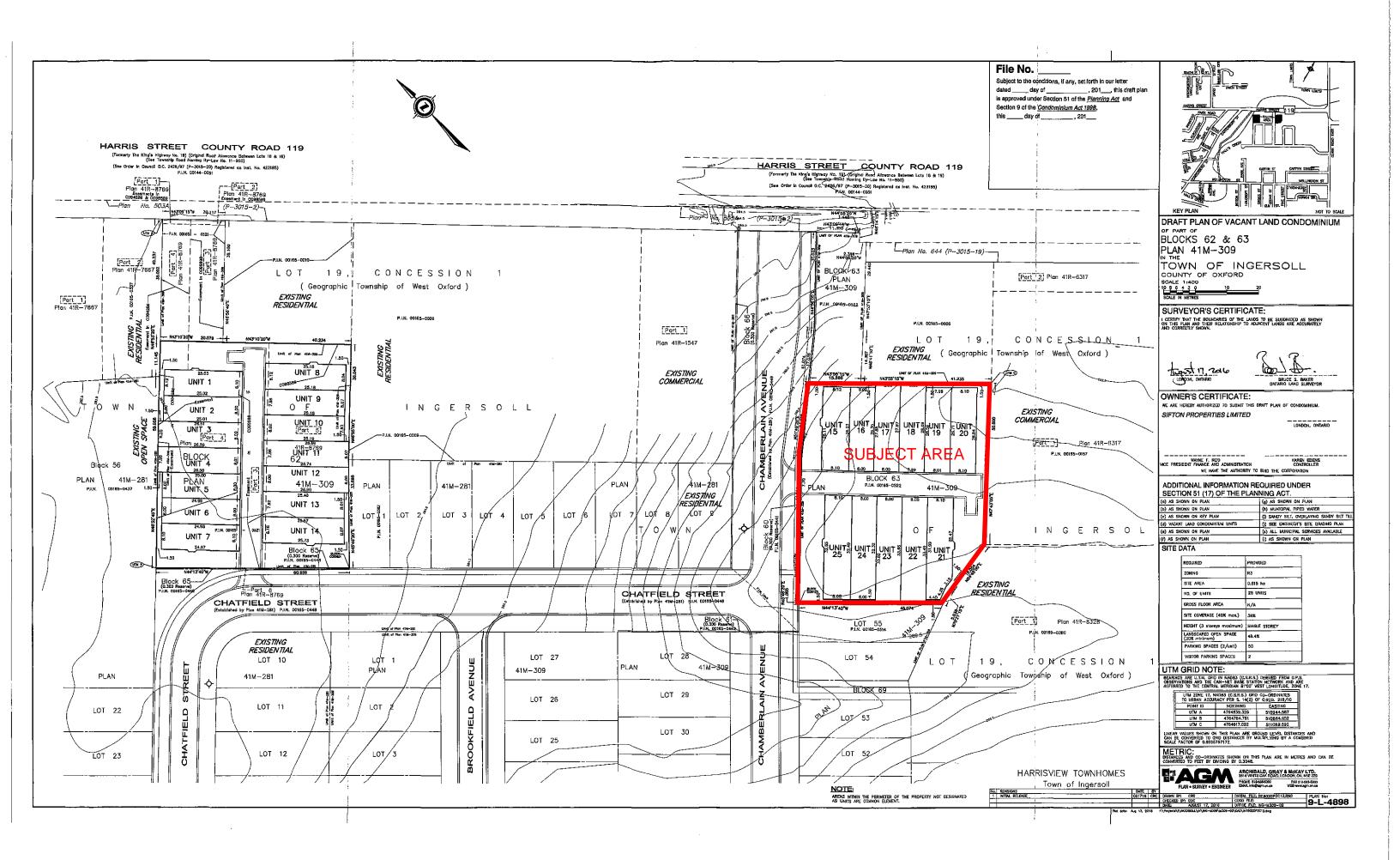
No customers or assets will be transferred as a result of this SAA.

5. CUSTOMER PREFERENCE

The Developer (Sifton Properties Limited) has indicated their preference to have Erie Thames supply this Development, as noted in their letter of support attached as Schedule H.

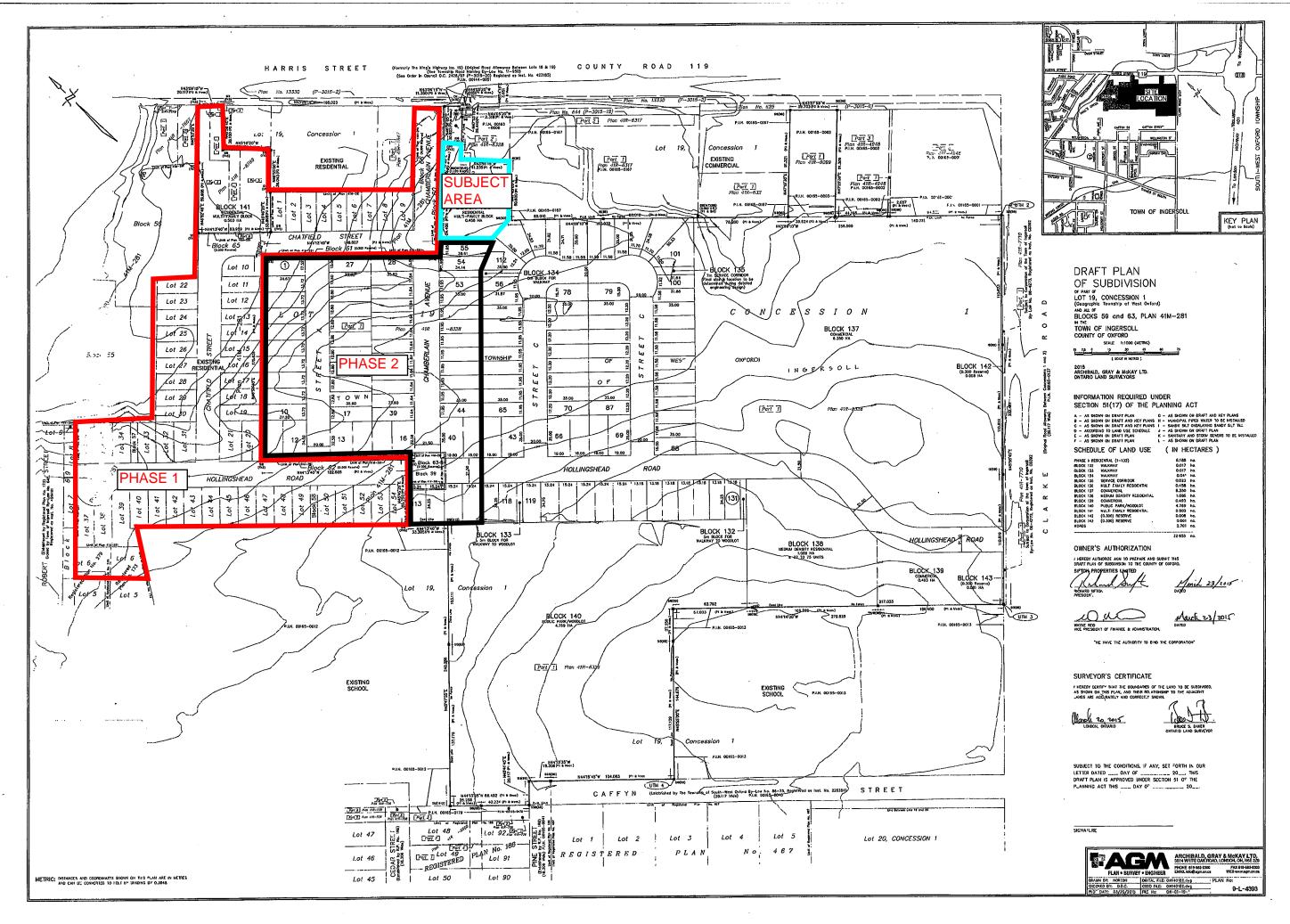
All of which is respectfully submitted.

SCHEDULE A DRAFT PLAN OF SUBJECT AREA (TOWNHOMES)



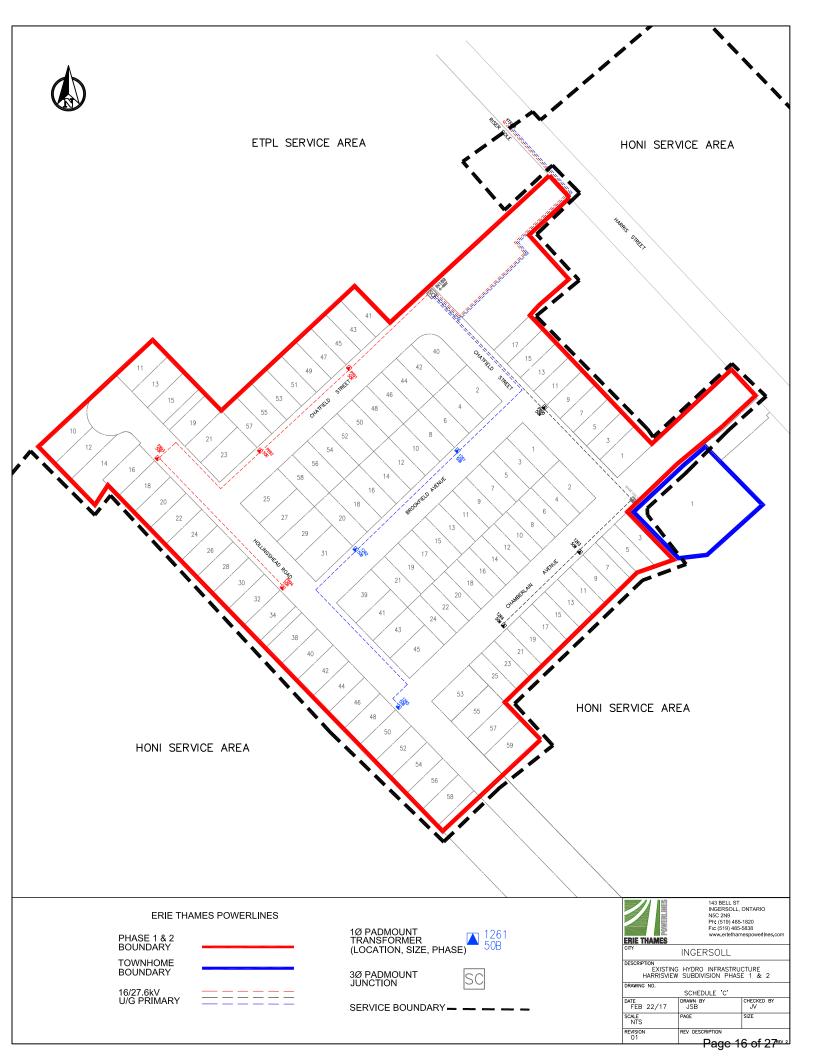
SCHEDULE B

PHASING PLAN



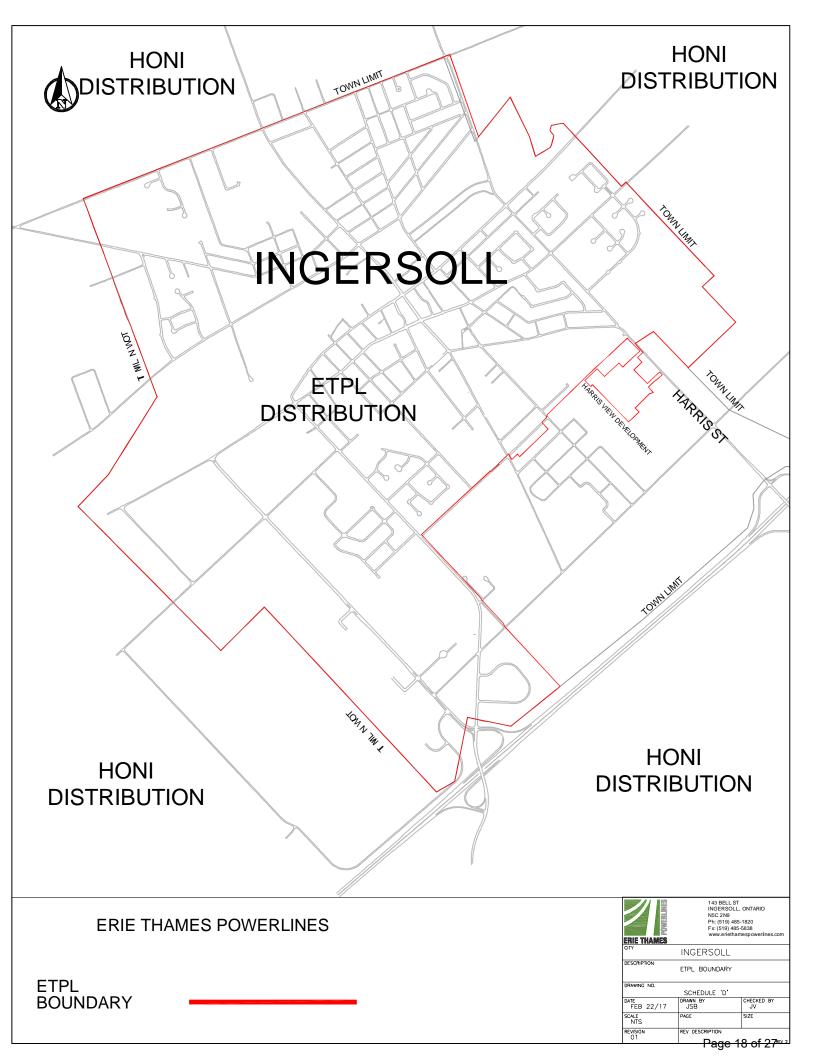
SCHEDULE C

ERIE THAMES EXISTING INFRASTRUCTURE



SCHEDULE D

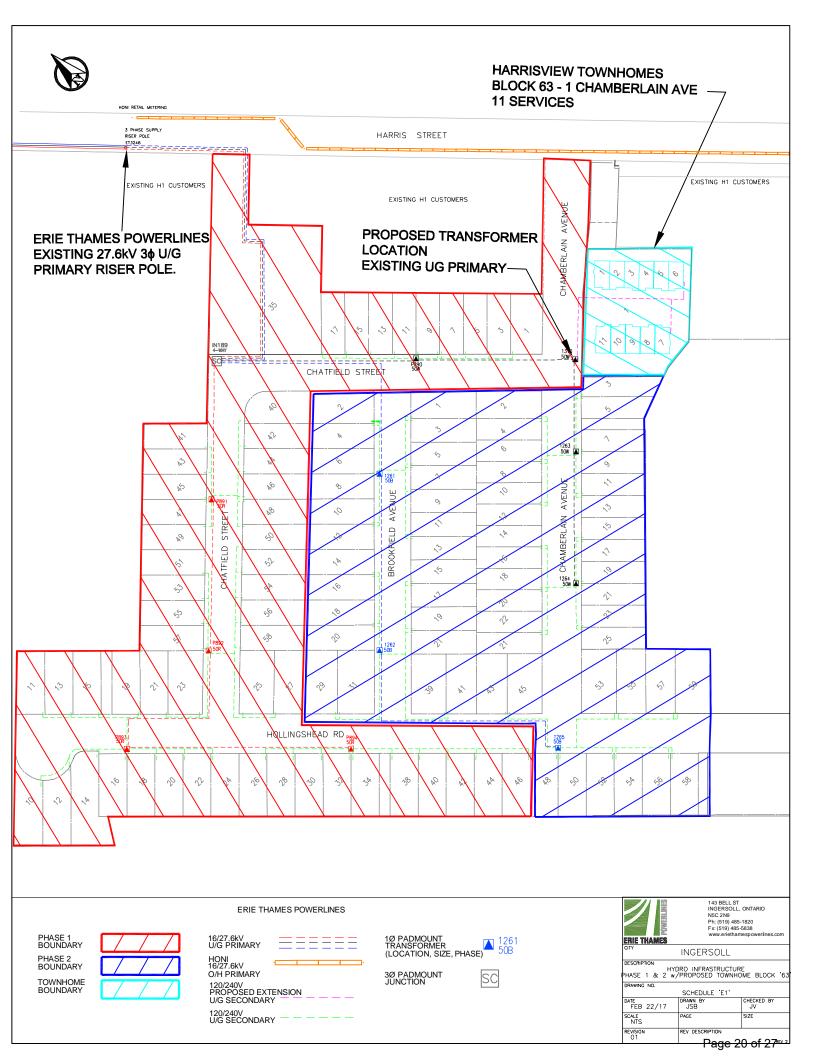
ERIE THAMES EXISTING SERVICE BOUNDARY

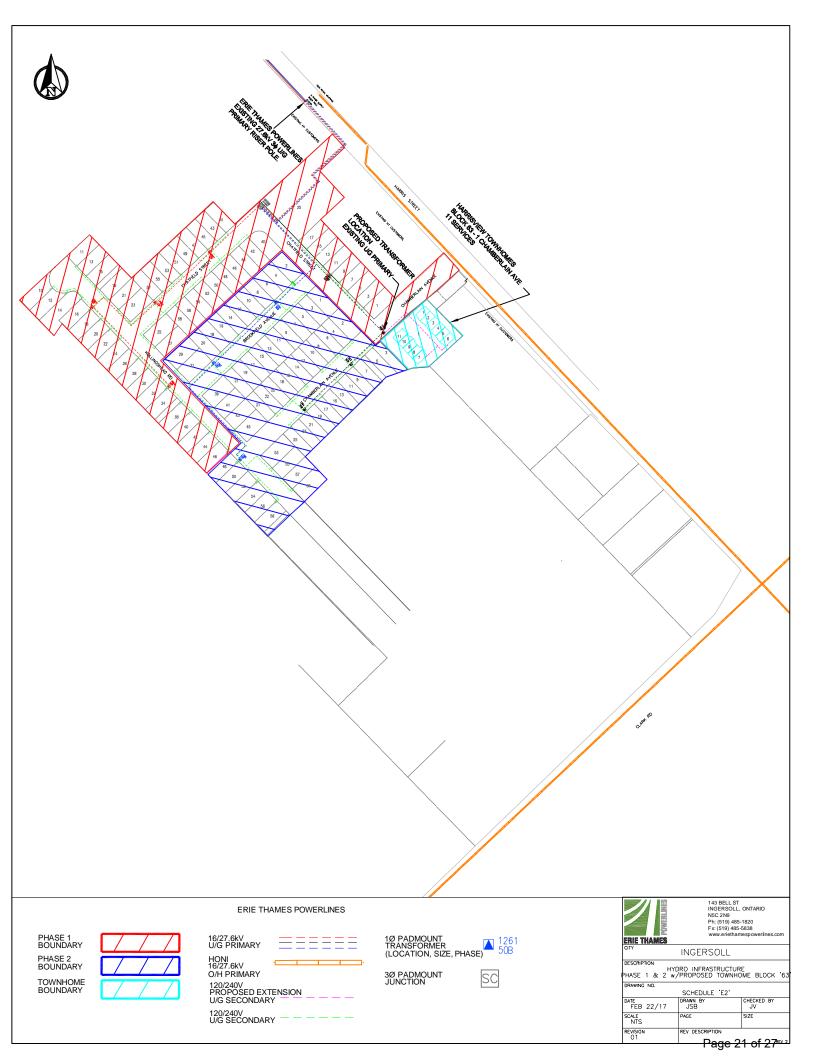


SCHEDULE E1 & E2

ERIE THAMES PROPOSED INFRASTRUCTURE

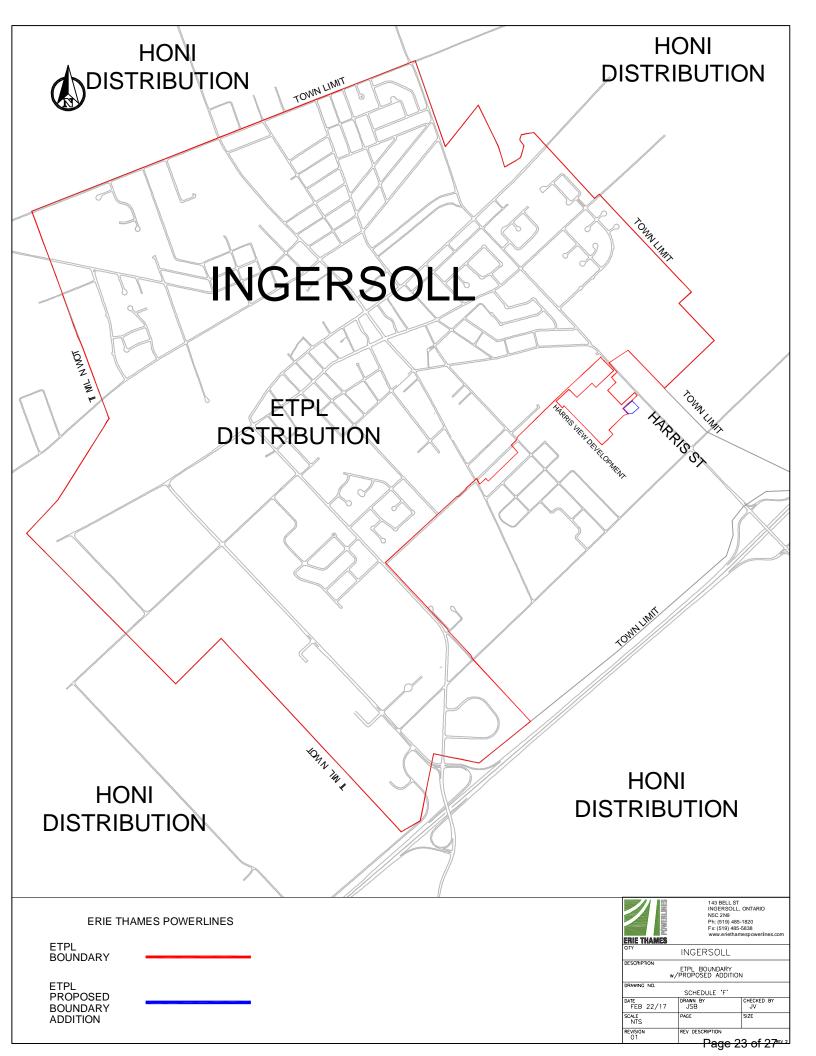
See attached – two drawings, different scale





SCHEDULE F

ERIE THAMES PROPOSED SERVICE BOUNDARY



SCHEDULE G HYDRO ONE CONSENT LETTER

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

Director – Major Projects and Partnerships Regulatory Affairs



BY COURIER

March 23, 2017

Chris White President Erie Thames Power Corporation P.O. Box 157, 143 Bell Street Ingersoll, ON N5C 3K5

Dear Mr. White:

Erie Thames Power Corporation Application for Licence Amendment

This is to confirm that Hydro One Networks Inc. ("Hydro One") supports your application to amend Erie Thames Power Corporation's ("ETPC") Distribution Licence as proposed in ETPC's service area amendment application and listed below for ease of reference:

1 Chamberlain Avenue in Ingersoll – Block 63, Plan 41M-309, in the Town of Ingersoll, County of Oxford.

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

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson

SCHEDULE H DEVELOPER SUPPORT LETTER



February 16, 2017

Chris White, President
Erie Thames Power Lines Corporation P.O. Box 157
143 Bell Street
Ingersoll, ON N5C 3K5

RE: Harrisiview – 11 Unit Townhomes, 1 Chamberlain Avenue

Ingersoll, Ontario

Dear Sir:

As per previous discussions with Jeff Bilyea of Erie Thames Power Lines Corporation, we would like to confirm our preference to have Erie Thames Power Lines Corporation supply the required hydro infrastructure for our development area. I have previously provided our location, draft plan, and detailed engineering drawings of the property this letter is in reference to.

This letter of intent is provided in order to satisfy the OEB filing requirement confirming that this is our "Customer Choice". We trust this letter clearly states our intentions, and are looking forward to working with you in order to provide the best possible utility servicing solutions for Sifton Properties, and all of the future residents of Ingersoll.

Yours truly.

SIFTON PROPERTIES LIMITED

hillip Masschelein

Vice President

Neighbourhood Developments

Cc: Mark Sinden, Project Manager, Development

