



December 15, 2017

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

Dear Ms. Walli

Re: Electricity Distribution Service Area Amendment Application – E.L.K. Energy Inc. (O.E.B. Electricity Distributor Licence No. ED-2003-0015)

I am writing on behalf of the Board of Directors of E.L.K. Energy Inc. (“E.L.K.”) to request the Ontario Energy Board make an amendment to our Distribution Licence No. ED-2003-0015 to include the lot described below located at (Town of Essex).

Part of Lots 1 and 2 Registered Plan 202 (being a subdivision of Part of Lots 7 & 8, Con. 2, Geographic Township of Colchester South) Now in the Town of Essex, County of Essex, Ontario. More specifically Part 1 of Plan 12R-26886.

E.L.K. provides electricity distribution services to customers in the Towns of Essex, Lakeshore and Kingsville. The Town of Essex is the sole shareholder of the Applicant. Within those towns, which cover a large geographic area in southwestern Ontario, the applicant has six non-contiguous service areas, serving the former municipalities of Belle River, Comber, Cottam, Essex, Harrow and Kingsville. Hydro One Networks Inc. (“Hydro One”) is the electricity distributor for customers located beyond the boundaries of these six service areas.

Currently, the applicant has existing facilities located across the road from the lot subject of the SAA. The existing facilities would be utilized to also provide for expansion of load in the area that is subject of this SAA application.

Hydro One Networks Inc. is in full support of this Service Area Amendment as filed and a letter of support has been provided within the SAA.

Please find accompanying this letter our Service Area Amendment application for an Order bringing the lands on which the Property is located into the E.L.K. distribution service area. As the Application is on consent, E.L.K. has followed the minimum filing requirements for SAA assigned by the Ontario Energy Board.

Regards,

Mark Danelon  
Director, Finance & Regulatory Affairs

Service Area Amendment Application

Hydro One Networks Inc.

And

E.L.K. Energy Inc.

December 15, 2017

## 7.0 Introduction

***This application for a Service Area Amendment is structured and follows the minimum filing requirement for SAA assigned by the Ontario Energy Board. The section numbers follow the filing requirement of the base reference.***

E.L.K. Energy (the “Applicant”) hereby applies to the Ontario Energy Board (the “OEB”) for an Order or Orders:

- a) Amending Schedule 1 of its Electricity Distribution Licence (No. ED-2003-0015) by including the lands described at 7.1.3 to this Application, to permit the connection of these said lands located within the municipal boundaries of the Corporation of the Town of Essex, to the Applicant’s electricity distribution system;
- b) Excluding the lands on which these said lands are located from the licenced service territory of Hydro One Networks Inc. (“Incumbent Distributor”); and
- c) Granting this relief in an expeditious manner without a hearing, pursuant to Subsection 21(4) of the Ontario Energy Board Act, 1998 (the “OEB Act”).

The Applicant is a local electricity distribution company (an “LDC”) that distributes electricity to customers in the Towns of Essex, Kingsville and Lakeshore. The Corporation of the Town of Essex is the sole shareholder of the Applicant. Within those towns, which cover a large geographic area in southwestern Ontario, the Applicant has six non-contiguous service areas, serving the former municipalities of Belle River, Comber, Cottam, Essex, Harrow and Kingsville. Hydro One Networks Inc. (“Hydro One”) is the electricity distributor for customers located beyond the boundaries of these six service areas.

## 7.1 Basic Facts

### General

#### 7.1.1 (a)

***Provide the contact information for the applicant. Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the person.***

The Applicant:

Mark Danelon  
Director, Finance & Regulatory Affairs  
172 Forest Avenue  
Essex, ON N8M 3E4  
Canada  
Telephone: 519-776-5291 ext 204  
Fax: 519-776-5640  
Email address: [mdanelon@elkenenergy.com](mailto:mdanelon@elkenenergy.com)

#### 7.1.1 (b)

***Provide the contact information for the incumbent distributor. Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the person.***

The Incumbent Distributor:

Pasquale Catalano  
Regulatory Analyst, Major Projects and Partnerships, Regulatory Affairs  
7<sup>th</sup> Floor, South Tower  
483 Bay Street  
Toronto, Ontario M5G 2P5  
Telephone: 416-345-5405  
Fax: 416-345-5866  
Email address: regulatory@HydroOne.com

**7.1.1 (c)**

***Provide every affected customer, landowner, and developer in the area that is the subject of the SAA Application. Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the person.***

There is one affected customer in the area that is the subject of the SAA Application. Provided below is the contact information of this affected customer.

[REDACTED]  
1960 Roseborough Road  
Harrow On, N0R 1G0  
[REDACTED]

**7.1.1 (d) & (e)**

***Provide any alternate distributor other than the applicant and the incumbent distributor, if there are any alternate distributors bordering on the area that is the subject of the SAA application; and any representative of the persons listed above including, but not limited to, a legal representative.***

There are no alternate distributors other than the applicant and the incumbent distributor.

**7.1.1 (f) & (g)**

***Indicate the reasons why this amendment should occur and identify any load transfers eliminated by the proposed SAA.***

This amendment should occur as it would be more economically efficient to the customer in connection costs. Economic efficiency should be a primary principle in assessing the merits of a service area amendment application, as well as optimizing the use of existing system configurations; and ensuring that the amendment does not result in an unnecessary duplication or investment in distribution lines and other distribution assets and facilities. The details of the SAA will provide support to these points of fact.

The Applicant and Hydro One have discussed the merits of the request to provide an electricity service connection, and it has been mutually determined that it is more economically efficient to connect the requested property to the Applicants distribution system.

## DESCRIPTION OF PROPOSED SERVICE AREA

### 7.1.3

***Provide a detailed description of the lands that are subject of the SAA application. For SAA applications dealing with individual customers, the description of the lands should include the lot number, the concession number, and the municipal address of the lands. The address should include the street number, municipality and/or county, and postal code of the lands.***

***For SAA applications dealing with general expansion areas, the description of the lands should include the lot number and the concession number of the lands, if available, as well as a clear description of the boundaries of the area (including relevant geographical and geophysical features).***

The Applicant provides the following information in this regard:

Legal Description: Part of Lots 1 and 2 Registered Plan 202 (being a subdivision of Part of Lots 7 & 8, Con. 2, Geographic Township of Colchester South) Now in the Town of Essex, County of Essex, Ontario. More specifically Part 1 of Plan 12R-26886.

PIN: 75204-0215

OWNER: [REDACTED]

### 7.1.4

***Provide one or more maps or diagrams of the area that is subject of the SAA application.***

#### **Attachment 1.1: Actual Lot Subject of the SAA Application**

The area shaded in green depicts the actual lot which is subject of the SAA application.

#### **Attachment 1.2: Existing Licensed Service Areas**

The area shaded in green depicts the Applicants Harrow Service Area in the proximity of the lot subject of the SAA application. The area shaded in red depicts the Incumbent Distributor's service area in the proximity of the lot subject of the SAA application.

#### **Attachment 1.3: E.L.K. Energy's Harrow Service Area in Relation to the Lot Subject of the SAA Application**

The area shaded in light green depicts the Applicants Harrow Service Area. The area shaded in dark green depicts the lot subject of the SAA application. The Incumbent Distributor's service area is left unshaded for ease of reference.

**Attachment 1.4: The Applicants Existing Facilities in Relation to the Lot Subject of the SAA Application**

The area shaded in green depicts the actual lot which is subject of the SAA application. The red dot depicts the Applicants existing distribution transformer which would be utilized to service the lot subject of the SAA application.

**Attachment 1.5: Plan of Survey for the Lot Subject of the SAA**

**7.1.4 (a)**

***Borders of the applicant's service area***

Please reference Attachment 1.2 and Attachment 1.3 as well as the detailed descriptions for both attachments provided in Section 7.1.4 of the application.

**7.1.4 (b)**

***Borders of the incumbent distributor's service area***

Please reference Attachment 1.2 as well as the detailed description for this attachment provided in Section 7.1.4 of the application.

**7.1.4 (c)**

***Borders of any alternate distributor's service area***

Not applicable as there are no other distributor's in the area asides from the Incumbent Distributor and the Applicant and both consent to this application.

**7.1.4 (d)**

***Territory surrounding the area for which the applicant is making SAA application***

**As can be seen in Attachment 1.1**

The area to the North is mixed commercial and residential. To the South and West is mixed residential and agricultural. To the East is mainly residential.

**7.1.4 (e)**

***Geographical and geophysical features of the area including, but not limited to, rivers and lakes, property borders, roads, and major public facilities.***

**As can be seen in Attachment 1.1**

The lot fronts onto Roseborough Road and the area is loosely bound by the following roads: County Road 20 to the South and Loricon Court to the North.

#### 7.1.4 (f)

***Existing facilities supplying the area that is the subject of the SAA application, if applicable, as well as the proposed facilities which will be utilized by the applicant to supply the area that is the subject of the SAA application (Note: if the proposed facilities will be utilized to also provide for expansion of load in the area that is the subject of the SAA application, identify that as well)***

Currently, the applicant has existing facilities located across the road from the lot subject of the SAA application. The existing facilities would be utilized to provide service to the lot subject of this SAA application.

See Attachment 1.4 which depicts the applicants existing facilities in relation to the lot that is subject of this SAA application.

#### 7.1.5

***Provide a description of the proposed type of physical connection (i.e., individual customer; residential subdivision, commercial or industrial development, or general service area expansion).***

The proposed connection is an individual customer.

#### 7.1.6

***Provide a description of the applicant's plans, if any, for similar expansions in lands adjacent to the area that is the subject of the SAA application. Provide a map or diagram showing the lands where expansions are planned in relation to the area that is the subject of the SAA application.***

Currently, the applicant has no plans for any similar expansions in lands adjacent to the lot that is the subject of the SAA application.

## 7.2 EFFICIENT RATIONALIZATION OF THE DISTRIBUTION SYSTEM

***The proposed SAA will be evaluated in terms of rational and efficient service area realignment. This evaluation will be undertaken from the perspective of economic (cost) efficiency as well as engineering (technical) efficiency.***

***Applicants must demonstrate how the proposed SAA optimizes the use of existing infrastructure. In addition, applicants must indicate the long term impacts of the proposed SAA on reliability in the area to be served and on the ability of the system to meet growth potential in the area. Even if the proposed SAA does not represent the lowest cost to any particular party, the proposed SAA may promote economic efficiency if it represents the most effective use of existing resources and reflects the lowest long run economic cost of service to all parties.***

## 7.2.1 ECONOMIC AND ENGINEERING EFFECIENCY

***In light of the above, provide a comparison of the economic and engineering efficiency for the applicant and the incumbent distributor to serve the area that is the subject of the SAA application. (NOTE: (a), (b), (c), (d), (e), (f), (g), (h),)***

### 7.2.1 (a)

***Location of the point of delivery and the point of connection***

#### **For the Lot depicted in attachment 1.1**

The delivery point is located adjacent at the intersection of McLean Road and Sellick Drive. The connection point is 2.220 Km's South West of the delivery point, which is 0.018 Km's West of the lot that is subject of this SAA application, to the applicant's existing facilities.

See Attachment 1.4 which depicts the applicants existing facilities in relation to the lot that is subject of this SAA application.

### 7.2.1(b)

***Proximity of the proposed connection to an existing, well developed electricity distribution system***

Currently, the applicant has existing facilities located across the road from the lot subject of the SAA.

See Attachment 1.4 which depicts the applicants existing facilities in relation to the lot that is subject of this SAA application.

### 7.2.1 (c)

***The fully allocated connection costs for supplying the customer (i.e., individual customers or developers) unless the applicant and the incumbent distributor provide a reason why providing the fully allocated connection costs is unnecessary for the proposed SAA. (Note: the Board will determine if the reason provided is acceptable).***

The applicants cost to connect this customer to its existing distribution system is \$4,135.55 plus HST. Inclusive in this price is a road bore, as the applicant does not install service poles. The 30 m cable credit has been applied as well. The incumbent cost to connect this customer is \$ 5,267.75 plus HST.



**7.2.1(d)**

***The amount of any capital contribution required from the customer***

Please reference section 7.2.1(c).

**7.2.1(e)**

***Costs for stranded equipment (i.e., lines, cables, and transformers) that would need to be de-energized or removed***

There would be no equipment stranded.

**7.2.1(f)**

***Information on whether the proposed SAA enhances, or at a minimum does not decrease, the reliability of the infrastructure in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application over the long term.***

The proposed SAA neither enhances nor decreases the reliability of the infrastructure in the area that is subject of the SAA application.

**7.2.1(g)**

***Information on whether the proposed infrastructure will provide for cost-efficient expansion if there is growth potential in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application.***

The existing infrastructure, located across the road from the lot subject of the SAA, will provide for cost-efficient expansion if there is growth potential in the area that is subject of the SAA application and in regions adjacent to the lot that is subject of the SAA application.

See Attachment 1.4 which depicts the applicants existing facilities in relation to the lot that is subject of this SAA application.

**7.2.1(h)**

***Information on whether the proposed infrastructure will provide for cost-efficient improvements and upgrades in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application.***

The existing infrastructure, located across the road from the lot subject of the SAA, will provide for cost-efficient expansion if there is growth potential in the area that is subject of the SAA application and in regions adjacent to the lot that is subject of the SAA application.

See Attachment 1.4 which depicts the applicants existing facilities in relation to the lot that is subject of this SAA application.

### **7.3 IMPACTS ARISING FROM THE PROPOSED AMENDMENT**

#### **7.3.1**

***Identify any affected customers or landowners.***

Please reference section 7.1.1 (c)

#### **7.3.2**

***Provide a description of any impacts on costs, rates, service quality, and reliability for customers in the area that is the subject of the SAA application that arise as a result of the proposed SAA. If an assessment of service quality and reliability impacts cannot be provided, explain why.***

The proposed SAA neither enhances nor decreases the reliability of the infrastructure in the area that is subject of the SAA application. There will be no adverse impact on costs, rates, service quality, and reliability as a result of this proposed SAA.

The Applicant and Hydro One have discussed the merits of the request to provide an electricity service connection, and it has been mutually determined that it is more economically efficient to connect the requested property to the Applicants distribution system.

The economic cost efficiency for the applicable residential customer within this SAA is presented in detail below. Residential results produce a savings to the customers within the said SAA as an E.L.K. customer. The following chart supports that there are no adverse impacts on cost and rates and are calculated using the applicants and incumbent's current tariff rate sheet and applicable rate class. The savings for the residential customer with the applicant is \$16.21 monthly.

Monthly Consumption (kWh)	1,000								
Hydro One Loss Factor	1.0760								
E.L.K. Loss Factor	1.0810								
Charge Determinant	kWh								
Residential	NO RIDERS			NO RIDERS					
	One Calc			Calc					
	Hydro One Volume	Hydro One Rate	Hydro One Charge (\$)	E.L.K. Volume	E.L.K. Rate	E.L.K. Charge (\$)	Difference (\$)		
TOU-Off Peak (65%) (\$/kWh)	699.40	\$ 0.065	\$ 45.46	702.65	0.065	\$ 45.67			
TOU-Mid Peak (17%) (\$/kWh)	182.92	\$ 0.095	\$ 17.38	183.77	0.095	\$ 17.46			
TOU-On Peak (18%) (\$/kWh)	193.68	\$ 0.132	\$ 25.57	194.58	0.132	\$ 25.68			
<b>Sub-Total: Energy (TOU)</b>	<b>1076</b>		<b>\$ 88.40</b>	<b>1081</b>		<b>\$ 88.81</b>			\$ 0.41
Service Charge (\$)	1	\$ 33.77	\$ 33.77	1	\$ 15.17	\$ 15.17			
Smart Meter Entity Charge (\$)	1	\$ 0.79	\$ 0.79	1	\$ 0.79	\$ 0.79			
Distribution Volumetric Rate (\$/kWh)	1,000	\$ 0.02	\$ 22.80	1,000	\$ 0.01	\$ 5.40			
<b>Sub-Total: Distribution</b>		<b>Max \$36.43/Month</b>	<b>\$ 37.22</b>			<b>\$ 21.36</b>			\$ (15.86)
<b>Sub-Total: Distribution (based on TOU prices)</b>									
Retail Transmission Rate – Network Service Rate (\$/kWh)	1,076	0.0064	\$ 6.89	1,081	0.0063	\$ 6.81			
Retail Transmission Rate – Line and Transformation Connection Service Rate (\$/kWh)	1,076	0.0047	\$ 5.06	1,081	0.0046	\$ 4.97			
<b>Sub-Total: Retail Transmission</b>			<b>\$ 11.94</b>			<b>\$ 11.78</b>			\$ (0.16)
<b>Sub-Total: Delivery (based on TOU prices)</b>									
Wholesale Market Service Rate (\$/kWh)	1,076	\$ 0.0036	\$ 3.87	1,081	\$ 0.0036	\$ 3.89			
Rural Rate Protection Charge (\$/kWh)	1,076	\$ 0.0003	\$ 0.32	1,081	\$ 0.0003	\$ 0.32			
Standard Supply Service – Administration Charge (if applicable) (\$)	1	\$ 0.25	\$ 0.25	1	\$ 0.25	\$ 0.25			
<b>Sub-Total: Regulatory</b>			<b>\$ 4.45</b>			<b>\$ 4.47</b>			\$ 0.02
<b>Total Bill on TOU (before HST)</b>	<b>OREC</b>		<b>\$ (11.36)</b>	<b>OREC</b>		<b>\$ (10.11)</b>			\$ 1.25
<b>HST</b>	<b>HST</b>		<b>\$ 16.98</b>	<b>HST</b>		<b>\$ 15.12</b>			\$ (1.86)
<b>Total Bill on TOU (including HST)</b>	<b>TOTAL</b>		<b>\$ 147.64</b>	<b>TOTAL</b>		<b>\$ 131.43</b>			\$ (16.21)

### 7.3.3

***Provide a description of any impacts on costs, rates, service quality, and reliability for customers of any distributor outside the area that is the subject of the SAA application that arise as a result of the proposed SAA. If an assessment of service quality and reliability impacts cannot be provided, explain why.***

There are no impacts on costs, rates, service quality, and reliability for customers of any distributor outside the area that is the subject of the SAA application that arise as a result of the proposed SAA.

### 7.3.4

***Provide a description of the impacts of each distributor involved in the proposed SAA. If these impacts have already been described elsewhere in the application, providing cross-references is acceptable.***

See section 7.2 and 7.3.2 of this application.

### 7.3.5

***Provide a description of any assets which may be stranded or become redundant if the proposed SAA is granted.***

There will be no assets stranded or become redundant if this application is granted.

### 7.3.6

***Identify any assets that are proposed to be transferred to or from the applicant. If an asset transfer is required, has the relevant application been filed in accordance with section 86 of the Act? If not, indicate when the applicant will be filing the relevant section 86 application.***

There are no assets that are proposed to be transferred to or from the applicant.

### 7.3.7

***Identify existing customers that are proposed to be transferred to or from the applicant.***

There are no existing customers that are proposed to be transferred to or from the applicant.

### 7.3.8

***Provide a description of any existing load transfers or retail points of supply that will be eliminated.***

There will be no new load transfers or retail points of supply created as a result of the proposed SAA application.

### 7.3.9

***Identify any new load transfers or retail points of supply that will be created as a result of the proposed SAA. If a new load transfer will be created, has the applicant requested leave of the Board in accordance with section 6.5.5 of the distribution System Code (“DSC”)? If not, indicate when the applicant will be filing its request for leave under section 6.5.5 of the DSC with the Board. If a new retail point of supply will be created, does the host distributor (i.e. the distributor who provides electricity to an embedded distributor) have an applicable Board approved rate? If not, indicate when the host distributor will be filing an application for the applicable rate.***

There will be no new load transfers or retail points of supply created as a result of the proposed SAA application.

## EVIDENCE OF CONSIDERATION AND MITIGATION OF IMPACTS

### 7.3.10

***Provide written confirmation by the applicant that all affected persons have been provided with specific and factual information about the proposed SAA. As part of the written confirmation, the applicant must include details of any communications or consultations that may have occurred between distributors regarding the proposed SAA.***

This application provides in writing that all affected persons have been provided with specific and factual information about the proposed SAA. Please refer to Attachment 2.1 and 2.2 for a letter of consent from the customer and letter of consent from the incumbent distributor respectively.

### 7.3.11

***Provide a letter from the incumbent distributor in which the incumbent distributor indicates that it consents to the application.***

Please refer to Attachment 2.2 for a letter of consent from the incumbent distributor.

#### **7.3.12**

***Provide a written response from all affected customers, developers, and landowners consenting to the application, if applicable.***

Please refer to Attachment 2.1 for a letter from the customer requesting service from the applicant respectively.

#### **7.3.13**

***Provide evidence of attempts to mitigate impacts where customer and/or asset transfers are involved (i.e., customer rate smoothing or mitigation, and compensation for any stranded assets).***

No customer and/or asset transfers are involved.

### **7.4 CUSTOMER PREFERENCE**

#### **7.4.1**

***An applicant who brings forward an application where customer choice may be a factor must provide a written statement signed by the customer (which includes landowners and developers) indicating the customer's preference.***

Please refer to Attachment 2.1, letter from the customer requesting service from the applicant respectively.

### **7.5 ADDITIONAL INFORMATION REQUIREMENTS FOR CONTESTED APPLICATIONS**

#### **7.5.1**

***If the application was initiated due to an interest in service by a customer, landowner, or developer, evidence that the incumbent distributor was provided an opportunity to make an offer to connect that customer, landowner, or developer.***

Not applicable.

#### **7.5.2**

***Evidence that the customer, landowner, or developer had the opportunity to obtain an offer to connect from the applicant and any alternate distributor bordering on the area that is the subject of the SAA application.***

Not applicable.

### 7.5.3

***Actual copies of, as well as a summary of, the offers(s) to connect documentation (including any associated financial evaluations carried out in accordance with Appendix B of the Distribution System Code). The financial evaluations should indicate costs associated with the connection including, but not limited to, on-site capital, capital required to extend the distribution system to the customer location, incremental up-stream capital investment required to serve the load, the present value of incremental OM & A costs and incremental taxes as well as the expected incremental revenue, the amount of revenue shortfall, and the capital contribution requested.***

Not applicable.

### 7.5.4

***If there are competing offers to connect, a comparisons of the competing offers to connect the customer, landowner, or developer.***

Not applicable.

### 7.5.5

***A detailed comparison of the new or upgraded electrical infrastructure necessary for each distributor to serve the area that is the subject of the SAA application, including any specific proposed connections.***

Not applicable.

### 7.5.6

***Outage statistics or, if outage statistics are not available, any other information regarding the reliability of the existing line(s) of each distributor that are proposed to supply the area that is the subject of the SAA application.***

Not applicable.

### 7.5.7

***Quantitative evidence of quality and reliability of service for each distributor for similar customers in comparable locations and densities to the area that is the subject of the SAA application.***

Not applicable.

## 7.6 OTHER

***It is the sole responsibility of the Applicant to provide all information that is relevant and that would assist the Board in making a determination in this matter. Failure to provide key information may result in a delay in the processing of the application or in the denial of the application.***

Not applicable.

### 7.7 WRITTEN CONSENT

E.L.K. Energy Inc. consents to all the statements made in this application

\_\_\_\_\_  
Mark Danelon, Director, Finance & Regulatory Affairs  
E.L.K. Energy Inc.  
Dated:\_\_\_\_\_

### 7.8 REQUEST FOR NO HEARING

Does the applicant request that the application be determined by the Board without a hearing? If yes, please provide:

- a) An explanation as to how no person, other than the applicant and the proposed recipient, will be adversely affected in a material way by the outcome of the proceeding AND
- b) The proposed recipient's written consent to the disposal of the application without a hearing
- c) There will be no adverse impacts on existing customers as this application.
- d) E.L.K. Energy Inc. requests that the Board dispose of this proceeding without a hearing under Section 21(4)(b) of the Act.

The applicant requests that the Board dispose of this proceeding without a hearing under Section 21(4)(b) of the Act as no person, other than the applicant and the proposed recipient, will be adversely affected in a material way by the outcome of the proceeding. This amendment should occur as it would be more economically efficient to the customers in connection costs. By way of this SAA, the applicant is looking to preclude the creation of new load transfer connections or new retail points of supply. The proposed SAA neither enhances nor decreases the reliability of the infrastructure in the area that is subject of the SAA application. . There will be no adverse impact on costs, rates, service quality, and reliability as a result of this proposed SAA. The applicant calculated the monthly charge of the customer using the current Tariff Rate sheet and applicable rate class.

\_\_\_\_\_  
Mark Danelon, Director, Finance & Regulatory Affairs  
E.L.K. Energy Inc.  
Dated:\_\_\_\_\_



### Town of Essex Mapping



- Legend**
- Roads
    - County Roads
    - Municipal
    - Private
    - Provincial
  - Viscount Estates
  - Lucier Estates
  - Essex Assessment
  - Water
  - Essex County Municipalities

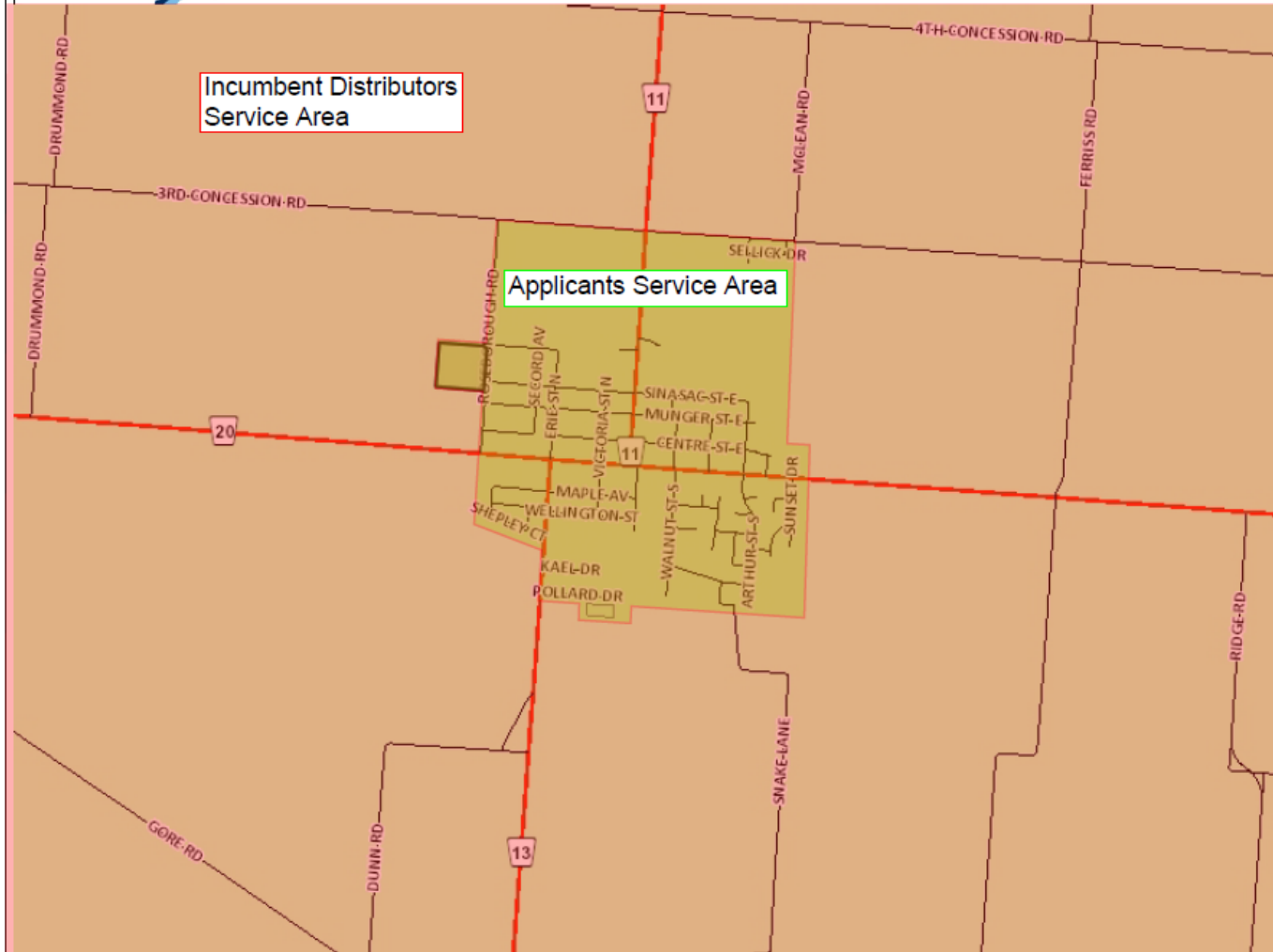
**Notes**  
Enter Map Description

THIS MAP IS NOT TO BE USED FOR NAVIGATION  
Copyright the Corporation of the Town of Essex, 2014. Data herein is provided by the Corporation of the Town of Essex on an 'as is' basis. Assessment parcel provided by Teranet Enterprises Inc. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.





### Town of Essex Mapping



#### Legend

- Roads
  - County Roads
  - Municipal
  - Private
  - Provincial
- Viscount Estates
- Lucier Estates
- Water
- Essex Outline
- Essex County Municipalities

#### Notes

Enter Map Description

THIS MAP IS NOT TO BE USED FOR NAVIGATION  
 Copyright the Corporation of the Town of Essex, 2014. Data herein is provided by the Corporation of the Town of Essex on an 'as is' basis. Assessment parcel provided by Teranet Enterprises Inc. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

1: 29,901



4/27/2017



### Town of Essex Mapping



- Legend**
- Roads
    - County Roads
    - Municipal
    - Private
    - Provincial
  - Viscount Estates
  - Lucier Estates
  - Essex Assessment
  - Water
  - Essex County Municipalities

**Notes**  
Enter Map Description

THIS MAP IS NOT TO BE USED FOR NAVIGATION  
Copyright the Corporation of the Town of Essex, 2014. Data herein is provided by the Corporation of the Town of Essex on an 'as is' basis. Assessment parcel provided by Teranet Enterprises Inc. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.





### Town of Essex Mapping



**Legend**

- Viscount Estates
- Lucier Estates
- Essex Assessment
- Water
- Essex County Municipalities

The Applicants existing facilities, transformer, located across the road from the lot subject of the SAA application.

Subject lot of SAA application

**Notes**

Enter Map Description

THIS MAP IS NOT TO BE USED FOR NAVIGATION  
 Copyright the Corporation of the Town of Essex, 2014. Data herein is provided by the Corporation of the Town of Essex on an 'as is' basis. Assessment parcel provided by Teranet Enterprises Inc. Data layers that appear on this map may or may not be accurate, current, or otherwise reliable.

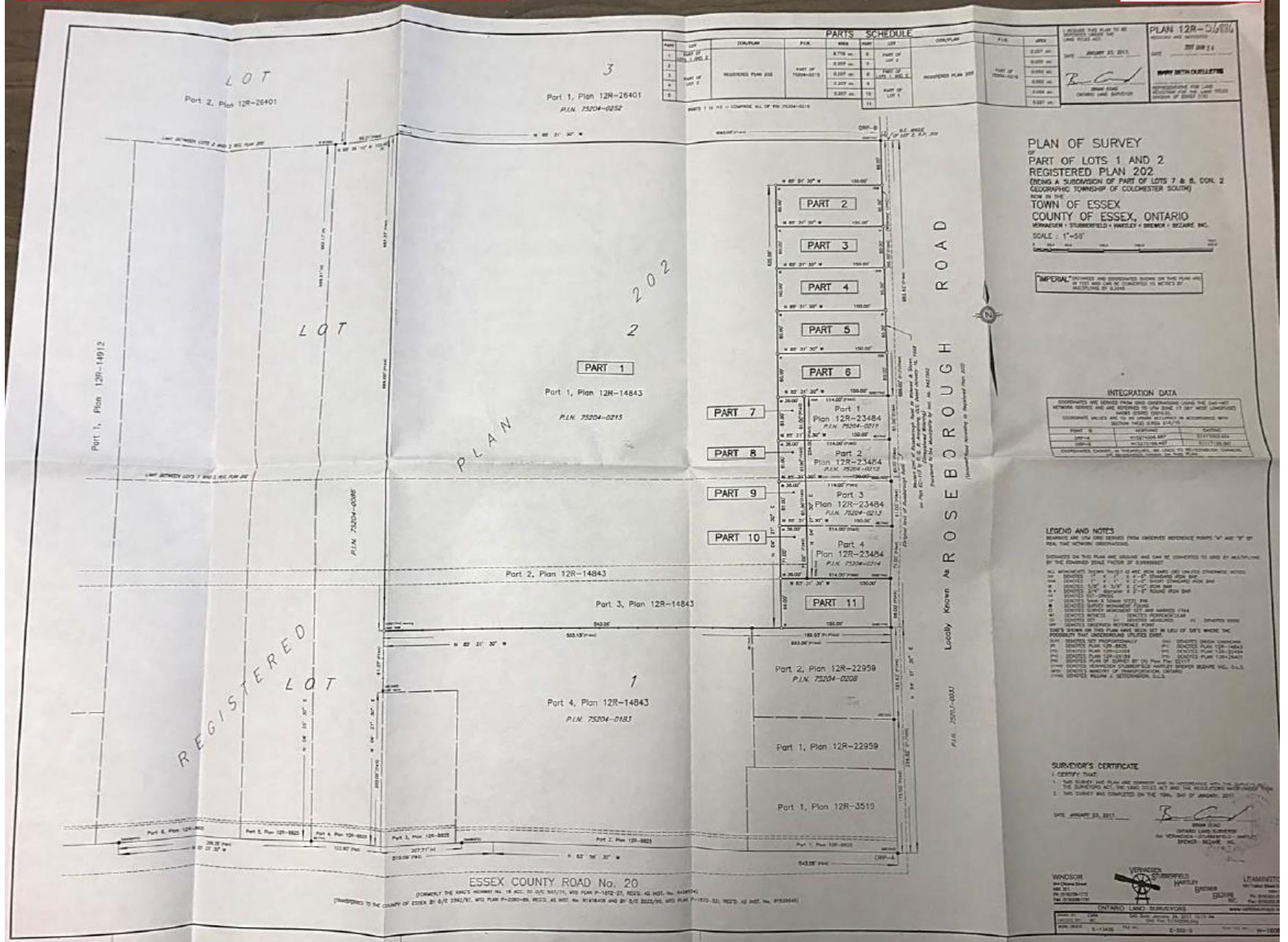
1: 2,014



11/6/2017

Plan of Survey for the Lot Subject of the SAA Application.

Attachment 1.5





## Attachment 2.1 Letter of Support Customer

November 6, 2017

E.L.K. Energy Inc.  
172 Forest Avenue  
Essex ON N8M-3E4

Attention: Norm MacAulay, Operations Manager

Dear Mr. MacAulay,

**Re: E.L.K. Energy Inc. Application for Service Area Amendment 1960 Roseborough Road, Harrow Ontario**

This is to confirm that Gord Nascimento ("Customer") is requesting that E.L.K. be the electrical service provider for the new residential lot at 1960 Roseborough Road as it promotes economic efficiency, the most effective use of existing resources and reflects the lowest long run economic cost.

The customer supports your application to amend E.L.K. Energy Inc.'s ("E.L.K.") Distribution License as proposed in E.L.K.'s service area amendment application for the lands in the Town of Essex as legally described below:

- Part of Lots 1 and 2 Registered Plan 202 (being a subdivision of Part of Lots 7 & 8, Con. 2, Geographic Township of Colchester South) Now in the Town of Essex, County of Essex, Ontario. More specifically Part 1 of Plan 12R-26886.

Furthermore, the Customer supports E.L.K.'s request to proceed with this servicing amendment without a hearing.

A handwritten signature in blue ink, appearing to be "Gord Nascimento", with a long horizontal flourish extending to the right.

---



## **Attachment 2.2 Letter of Consent Incumbent Distributor**

**Hydro One Networks Inc.**

7<sup>th</sup> 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

December 14, 2017

Mark Danelon  
E.L.K. Energy Inc.  
172 Forest Avenue  
Essex, ON  
N8M 3E4

Dear Mr. Danelon:

**E.L.K. Energy Inc. Ltd. Application for Licence Amendment**

This is to confirm that Hydro One Networks Inc. (“Hydro One”) consents that the E.L.K. application provides the most cost-effective solution to connect the customer located at 1960 Roseborough Rd, from a one-time connection perspective (a savings of approximately \$1,000)<sup>1</sup>. Additionally, though not specifically within the purview of the Board’s service area amendment filing requirements, Hydro One understands that E.L.K. will be including a rate-comparison in this application. Hydro One has reviewed the rate-comparison included by E.L.K. and can state that the customer will experience a savings of \$15/month<sup>2</sup>.

Hydro One does want to highlight in this consent letter to both the Board and E.L.K., that proceeding with this service area amendment does not change the fact that Hydro One will remain the physical distributor to this customer, analogous to the OEB decisions in EB-2016-0155 and EB-2017-0172.

Moreover, Hydro One highlights that transferring this customer to E.L.K. would create an inconsistent treatment of customers as there are other residential customers along the west side of Roseborough just north of this connection that will still be served by Hydro One and will remain Hydro One customers after this amendment. In effect, approval of this amendment will result in similarly-classed customers along same side of the same street being billed by two different distributors even though there is only one physical distributor.

---

<sup>1</sup> Identified in Section 7.2.1.(c) of the proposed service area amendment application

<sup>2</sup> Inclusive of the Fair Hydro Plan and the customer classified as an R1 residential customer. The more the customer consumes, the less the monthly savings. The break-even point (the point in which the customer no longer realizes a monthly savings as an E.L.K. customer ) is 3,610 kwh.

---



Hydro One supports E.L.K.'s request to proceed with this service area amendment without a hearing on the basis that E.L.K.'s solution does provide a more cost-effective connection. However, if the OEB wishes to obtain further information specific to the items provided in this consent letter, then Hydro One will provide such information.

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson

---