

## Lake Superior Link (East-West Tie Transmission Line)

### Overview of Recommended Alternative:

Approval of \$12.2M is requested to fund the development phase of Lake Superior Link (LSL). The project is a counter proposal to NextBridge's East-West Tie (EWT) project, both of which have been submitted to the Ontario Energy Board. If Lake Superior Link is accepted by the OEB, it will result in construction of Hydro One's new 230 kV double-circuit transmission lines between Wawa TS, Marathon TS and Lakehead TS.

Previous approval of \$1.2M, included in the total requested funding, was for validating the environmental assumptions and conducting initial consultations and stakeholdering for the project.

### Investment Details:

In-service: December 15, 2021

To meet the load demand in the Northwestern Ontario after the retirement of coal generation, the Independent Electricity System Operator (IESO) has identified the need for increased transfer capability between Northeast and Northwest regions of Ontario by installing new 230 kV double-circuit transmission lines from Wawa to Thunder Bay. The Ontario Energy Board (OEB) awarded development work for the proposed lines to Upper Canada Transmission Company (Trade name NextBridge). In 2016, the government issued an Order In Council, declaring the East-West Tie (EWT) as a Priority Project, to be in-service by the end of 2020.

NextBridge has proceeded with the development (Environmental Assessment, route selection, design of towers, etc.) and has applied to the OEB for Leave to Construct for the proposed transmission lines. Hydro One has jointly submitted a Leave to Construct application for the connection of the proposed transmission lines to the three terminal stations, with the addition of facilities required by the IESO System Impact Assessment. The recent NextBridge's estimated cost to develop and construct (\$777.2M) and operate and maintain (\$7.4M/year) the EWT transmission lines are significantly higher than the cost they proposed in the OEB Designation application (\$431.2M and \$4.4M, respectively).

Hydro One, together with SNC-Lavalin (SNCL) as the Engineer, Procure and Construct partner, has prepared a competing Leave to Construct application to build the new Lake Superior Link, by the end of 2021 at a lower estimated initial capital and ongoing maintenance costs and reduced environmental impact compared to the NextBridge proposal.

This approval is for Hydro One to proceed with the development and design stage of the project. This will include:

- All necessary work to obtain Environmental Assessment approval utilizing the NextBridge's EA and its amendment
- Conducting Indigenous People's engagements and consultations
- Public consultations
- Real estate activities including appraisals, purchasing Early Access rights and Option agreements, etc.
- Conducting preliminary engineering by SNCL,
- Interveners costs and legal expenses for the Leave to Construct approval process.