

# Service Area Amendment (SAA) Application

FESTIVAL HYDRO INC.

Distribution Licence ED-2002-0513

Submitted December 20<sup>th</sup>, 2019

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## **APPLICATION**

### **1. INTRODUCTION**

Festival Hydro Inc. ("Festival") is making an Application to the Ontario Energy Board ("OEB") for the purpose of amending the licenced service area of Festival as described in Schedule 1 of its distribution Licence ED-2002-0513 to include the development known as 3516 Road 119, with the legal description Part of Lot 2, part of Lot 3 and part of Lot 4, Concession 5, Geographic Township of Downie, now the Township of Perth South, County of Perth, (the "Subject Area"). This property is immediately adjacent to Festival's existing service area.

The Subject Area is currently within the service territory of Hydro One Networks Inc. ("Hydro One"), and adjacent to the Festival service area. The Subject Area will be owned by Xinyi Canada Glass Limited ("Developer"), located in the City of Stratford, and is designated for industrial development.

The Subject Area is generally described with municipal address 3516 Road 119, in the City of Stratford.

For the reasons set out herein, Festival respectfully submits that it is in the public interest to amend Schedule 1 of its electricity distribution license to add line 19:

19. Part of Lot 2, part of Lot 3 and part of Lot 4, Concession 5, Geographic Township of Downie, now the Township of Perth South, County of Perth.

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

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

Hydro One has agreed to consent to this SAA application (consent letter included as Schedule D) and the required expansion of Festival's service territory to service the Subject Area. Hydro One's proposed licence amendment is included in the letter presented in Schedule D.

Festival 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:

Ysni Semsedini, CEO  
Festival Hydro Inc.  
187 Erie Street, PO Box 397  
Stratford, ON N5A 6T5  
Telephone: 519-271-4700 Fax: 519-271-7204  
semsediniy@festivalhydro.com

The Incumbent Distributor:

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

(There are no other alternate distributors.)

The Registered Owner/Developer:

Tommy Wong, President  
Xinyi Canada Glass Limited  
Unit 402, 7300 Warden Ave.  
Markham, ON L3R 9Z6  
Tel: (905) 604-7001  
email: tommy@xinyicanada.com

(b) Reasons for Amendment:

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

1. The Developer's preference is that Festival 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 is the continuation of the industrial development in the southwest end of Stratford. The existing electrical infrastructure owned by Festival can accommodate the anticipated load of approximately 19MW using a new underground feeder from the Festival MTS#1 (Wright TS) transformer station. An existing overhead feeder owned by Festival along Gibb Road will be available as an alternate feeder.
4. Festival has infrastructure near the Subject Area that can provide the required electrical service with minimal investment. The incumbent distributor (Hydro One) also has infrastructure that lies along the property, but it does not have sufficient capacity to meet the required demand. To supply this customer, Hydro One would need to make a significant investment in their Stratford TS (additional capacity) and install a new feeder approximately 8km in length through the City of Stratford. Following discussions between the two distributors, the parties concluded that Hydro One's costs to service the property are greater than Festival and Hydro One agreed to consent to this SAA application.
5. Festival's 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 Festival's service area will be

seamless. The Subject Area Lands will be adjacent to Festival's existing 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 3516 Road 119 and will be developed into an industrial facility on land that is currently vacant.

(d) Proposed Service Area – Maps and Diagrams:

The following maps, and diagrams are attached as schedules.

Schedule A – Draft Plan of Survey (Subject Area)

Schedule B – Festival Existing and Proposed Service Boundary (Overview and Detail)

Schedule C – Existing Infrastructure (Festival and Hydro One) and Proposed Festival Infrastructure

Collectively, these schedules identify the Subject Area, the existing borders of Festival 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 locations of lot lines and easements) are subject to change as the development proceeds.

(e) Distribution Infrastructure – Description of Proposed Physical Connection:

The Subject Area is zoned industrial land. When completed and fully occupied, the Subject Area will add approximately 19MW of load to the Festival system. The Developer has requested a connection by December 2020.

The Subject Area will be supplied by installing a new underground circuit (27.6 kV) from the Festival MTS#1 (Wright TS) to the property. The existing overhead infrastructure on Gibb Road (27.6 kV), owned by Festival, will be available as an alternate supply. The existing and proposed infrastructure are shown in Schedule C.

Distribution Infrastructure – Future Expansions in Adjacent Lands:

The distribution infrastructure that will be installed to service the Subject Area, will be designed to accommodate a future expansion of the industrial area to the

south and west, however, there are currently no plans by the City of Stratford to develop the adjacent lands. If the adjacent area is planned to be developed, Festival anticipates making an additional Service Area Amendment Application to service the expansion 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**

Festival 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 C shows how the existing infrastructure (27.6 kV overhead circuit - owned by Festival) and new infrastructure (new 27.6 kV underground circuit – owned by Festival) will be used to supply the Subject Area. The existing Festival MTS#1 (Wright TS) will supply both circuits, and has ample capacity to supply the new load.

Festival understands that Hydro One does not have sufficient capacity on its existing distribution system to supply this new load, and would need to add capacity at the Stratford TS and upgrade or install a new feeder approximately 8km through the City of Stratford.

#### **(b) Proximity to Distribution System:**

Festival has existing assets immediately adjacent to and alongside the Subject Area. The nearest Hydro One assets are also immediately adjacent to and alongside the Subject Area. However, as noted above, Hydro One does not have sufficient capacity on its distribution system to supply this new load.

#### **(c) Fully Allocated Connection Costs:**

The connection costs for Festival and Hydro One were reviewed jointly by both distributors to ensure an even comparison. The connection costs for Festival 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 expansion of Festival's distribution system (underground conductors from the Festival MTS#1 to the Subject Area).

(f) Cost-Effectiveness of Future Expansions:

The infrastructure proposed by Festival will adequately supply the load expected in the Subject Area, as well as the potential future development in the area. Festival 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 Festival 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 that will be owned by the Developer, and is a continuation of an existing industrial area, all of which Festival is the distributor. The Developer supports the proposed amendment. There are no other customers affected.

(b) Description of Impacts – Customer Impacts Within Subject Area:

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



(d) Description of Impacts – Distributor Impacts:

Approval of this SAA application is not expected to have any impact on Hydro One. The additional revenue from the new customer will have a favourable impact on costs and rates for Festival, 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) Description of Impacts – Transferred Assets:

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

(g) Description of Impacts – Transferred Customers:

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:

Festival confirms that all affected parties have been provided with specific and factual information about the proposed SAA. Festival 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 D.

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

The Developer has provided their consent via a letter of support attached as Schedule E.

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

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

## **5. CUSTOMER PREFERENCE**

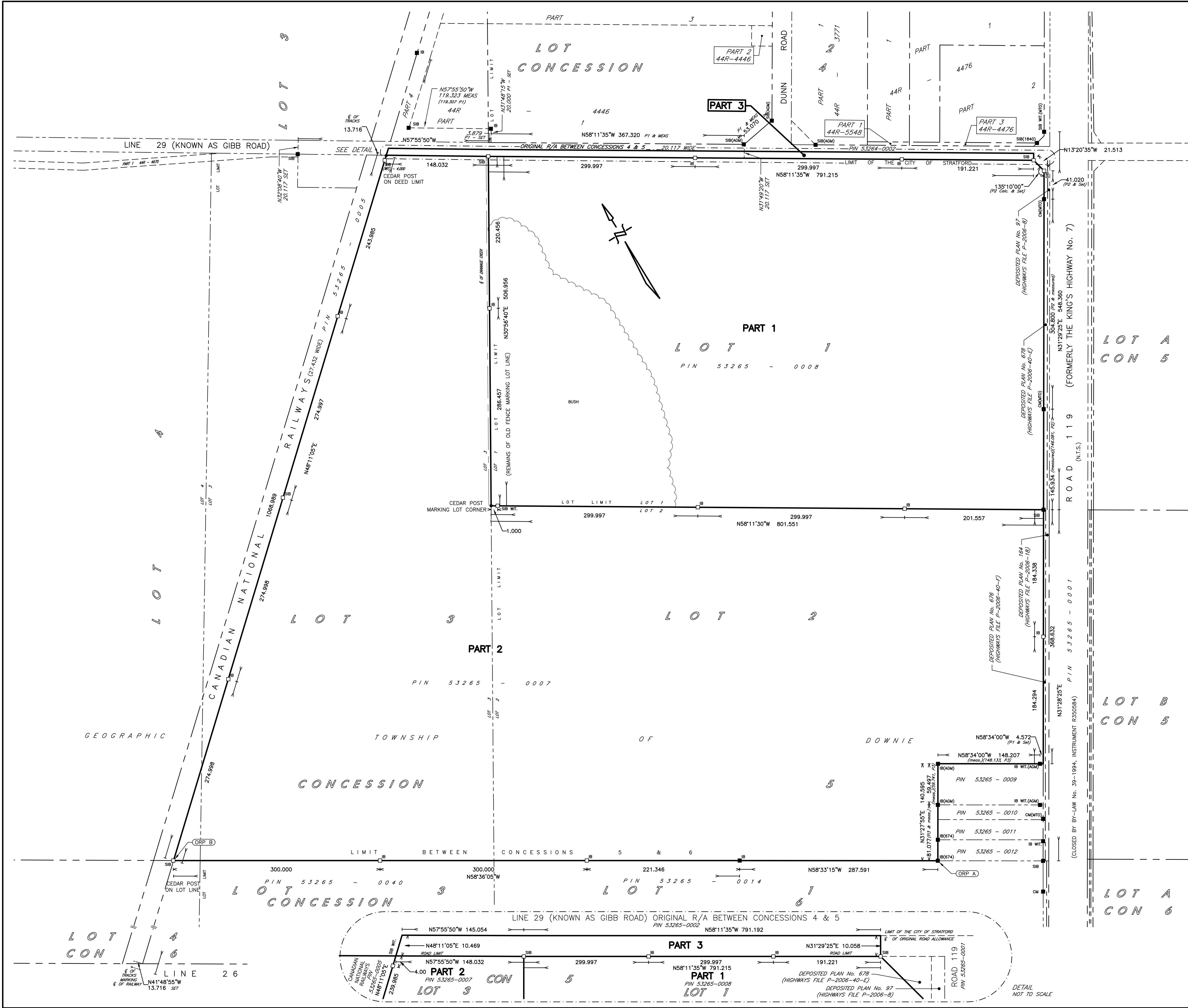
The Developer has indicated their preference to have Festival supply this Development, as noted in their letter of support attached as Schedule E.

**All of which is respectfully submitted.**

**SCHEDULE A**

**DRAFT PLAN OF SURVEY  
(SUBJECT AREA)**

**See attached**



PLAN 44R-  
RECEIVED AND DEPOSITED

DATE

DATE

DAVID J. RATHBY  
ONTARIO LAND SURVEYOR

REPRESENTATIVE FOR LAND  
REGISTRAR FOR THE LAND TITLES  
DIVISION OF PERTH (No. 44)

SCHEDULE				
PARTS	LOT	CONCESSION	PIN	AREA
1	PART OF LOT 1	5	ALL OF 53265-0008	407423m <sup>2</sup>
2	PART OF LOTS 2, 3, AND 4		ALL OF 53265-0007	701153m <sup>2</sup>
3	PART OF THE ORIGINAL ROAD ALLOWANCE BETWEEN CONCESSIONS 4 AND 5		53264-0002	9431m <sup>2</sup>
PART 1 COMPRISES ALL OF PIN 53265-0008				
PART 2 COMPRISES ALL OF PIN 53265-0007				
PART 3 COMPRISES PART OF PIN 53264-0002				

PLAN OF SURVEY  
OF PART OF  
**LOTS 1, 2, 3, AND 4  
CONCESSION 5**  
AND OF PART OF THE ORIGINAL  
**ROAD ALLOWANCE BETWEEN  
CONCESSIONS 4 AND 5**  
(GEOGRAPHIC TOWNSHIP OF DOWNIE)

NOW THE  
**TOWNSHIP OF PERTH SOUTH  
COUNTY OF PERTH**

SCALE: 1 : 2500 METRIC

NA GEOMATICS INC.  
ONTARIO LAND SURVEYORS

**SURVEYOR'S CERTIFICATE**  
I CERTIFY THAT:

- THIS SURVEY AND PLAN ARE CORRECT AND IN ACCORDANCE WITH THE SURVEYS ACT, THE SURVEYORS ACT, AND THE LAND TITLES ACT AND THE REGULATIONS MADE UNDER THEM.
- THE SURVEY WAS COMPLETED ON THE 3rd DAY OF JANUARY 2018.

DATE

DAVID J. RATHBY,  
ONTARIO LAND SURVEYOR

**LEGEND AND NOTES:**

BEARINGS ARE GRID, UTM ZONE 17 NAD83 (CSRS-2010) FROM THE CANSEL CAN-NET REAL TIME NETWORK, DERIVED FROM OBSERVED REFERENCE POINTS A AND B, SHOWN HEREON.

FOR BEARING COMPARISONS, A ROTATION OF 0°03'20" CLOCKWISE CAN BE APPLIED TO CONVERT TO ASTRONOMIC BEARINGS.

DISTANCES ON THIS PLAN ARE ADJUSTED GROUND LEVEL DISTANCES AND CAN BE USED TO COMPUTE GRID CO-ORDINATES BY MULTIPLYING BY A COMBINED SCALE FACTOR OF 0.99956894

OBSERVED REFERENCE POINTS ARE DERIVED FROM GPS OBSERVATIONS USING THE CANSEL CAN-NET VRS NETWORK AND ARE REFERRED TO UTM ZONE 17 (81°00' LONGITUDE WEST) NAD83 (CSRS 2010)

COORDINATES TO URBAN ACCURACY IN ACCORDANCE WITH SECTION 14(2) OF O. REG. 216/10

POINT ID	NORTHING	EASTING
ORP A	4797804.62	498568.93
ORP B	4798382.61	497622.67

COORDINATES CANNOT, IN THEMSELVES, BE USED TO RE-ESTABLISH CORNERS OR BOUNDARIES SHOWN ON THIS PLAN.

- \* DENOTES FOUND SURVEY MONUMENT
- ⊕ DENOTES PLANTED SURVEY MONUMENT
- SIB DENOTES STANDARD IRON BAR
- SSIB DENOTES SHORT STANDARD IRON BAR
- IB DENOTES IRON BAR
- PB DENOTES PLASTIC BAR
- RIB DENOTES ROUND IRON BAR
- meas. DENOTES MEASURED
- WIT DENOTES WITNESS
- P1 DENOTES DEPOSITED PLAN 44R-4446
- P2 DENOTES DEPOSITED PLAN 678 (P-2006-40-E)
- P3 DENOTES SURVEY INFORMATION BY AGM (PLAN No. S-0019
- NTS DENOTES NOT TO SCALE

**METRIC**

DISTANCES AND COORDINATES SHOWN ON THIS PLAN ARE IN METRES AND CAN BE CONVERTED TO FEET BY DIVIDING BY 0.3048

NA GEOMATICS INC.  
ONTARIO LAND SURVEYORS  
107 ERIE STREET, STRATFORD, ON., N5A 2M5  
TEL: 519-273-3205  
871 DUNDAS ST., WOODSTOCK, ON., N4S 1G8  
TEL: 519-537-6212

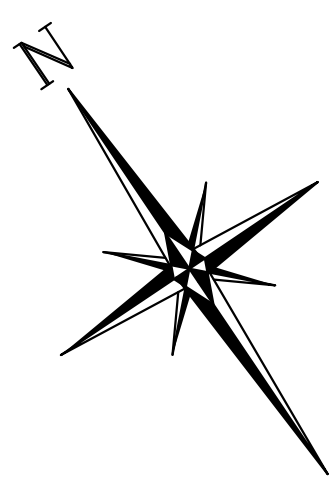
Date: 11-Feb-19 Cod File: 18-611TCH1-ref plan\_Eo.dwg  
Drawn By: S. CULLITON Checked By: D. Rathby File No: 18-6111

## **SCHEDULE B**

### **FESTIVAL EXISTING AND PROPOSED SERVICE BOUNDARY (OVERVIEW AND DETAIL)**

**See attached**





# FESTIVAL HYDRO INC.

EXISTING FESTIVAL HYDRO INC /  
HYDRO ONE NETWORKS SERVICE  
AREA BOUNDARY (FHI TERRITORY  
LOCATED WITHIN BOUNDARY)

PROPOSED SERVICE AREA TO BE  
AMENDED BY FESTIVAL HYDRO INC

PROPOSED AREA TO  
BE ADDED TO  
FESTIVAL HYDRO  
SERVICE TERRITORY





WRIGHT BLVD

DUNN RD

EXISTING FHI 27.6kV  
DISTRIBUTION CIRCUIT

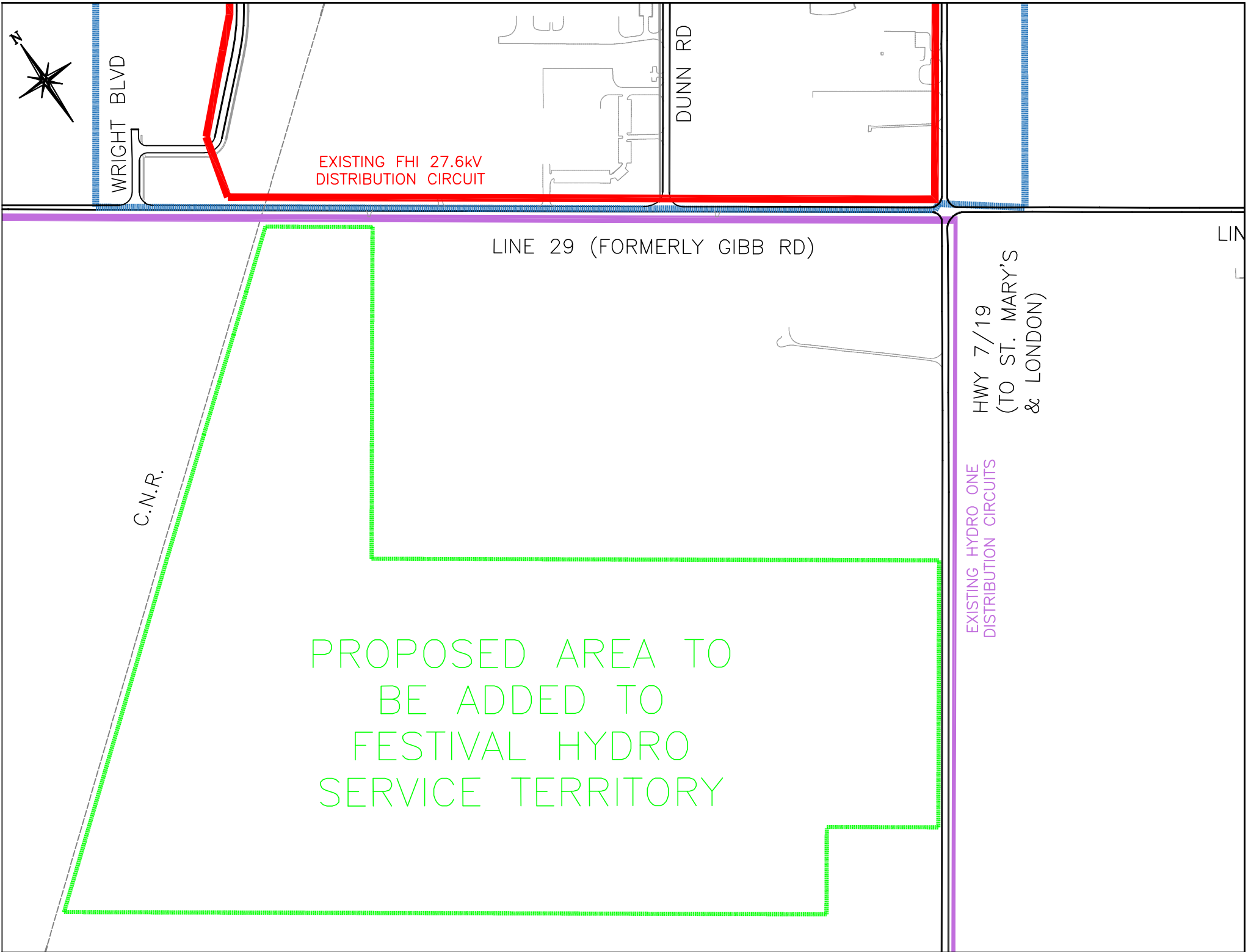
LINE 29 (FORMERLY GIBB RD)

C.N.R.

HWY 7/19  
(TO ST. MARY'S  
& LONDON)

EXISTING HYDRO ONE  
DISTRIBUTION CIRCUITS

PROPOSED AREA TO  
BE ADDED TO  
FESTIVAL HYDRO  
SERVICE TERRITORY

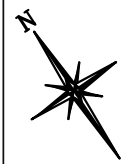
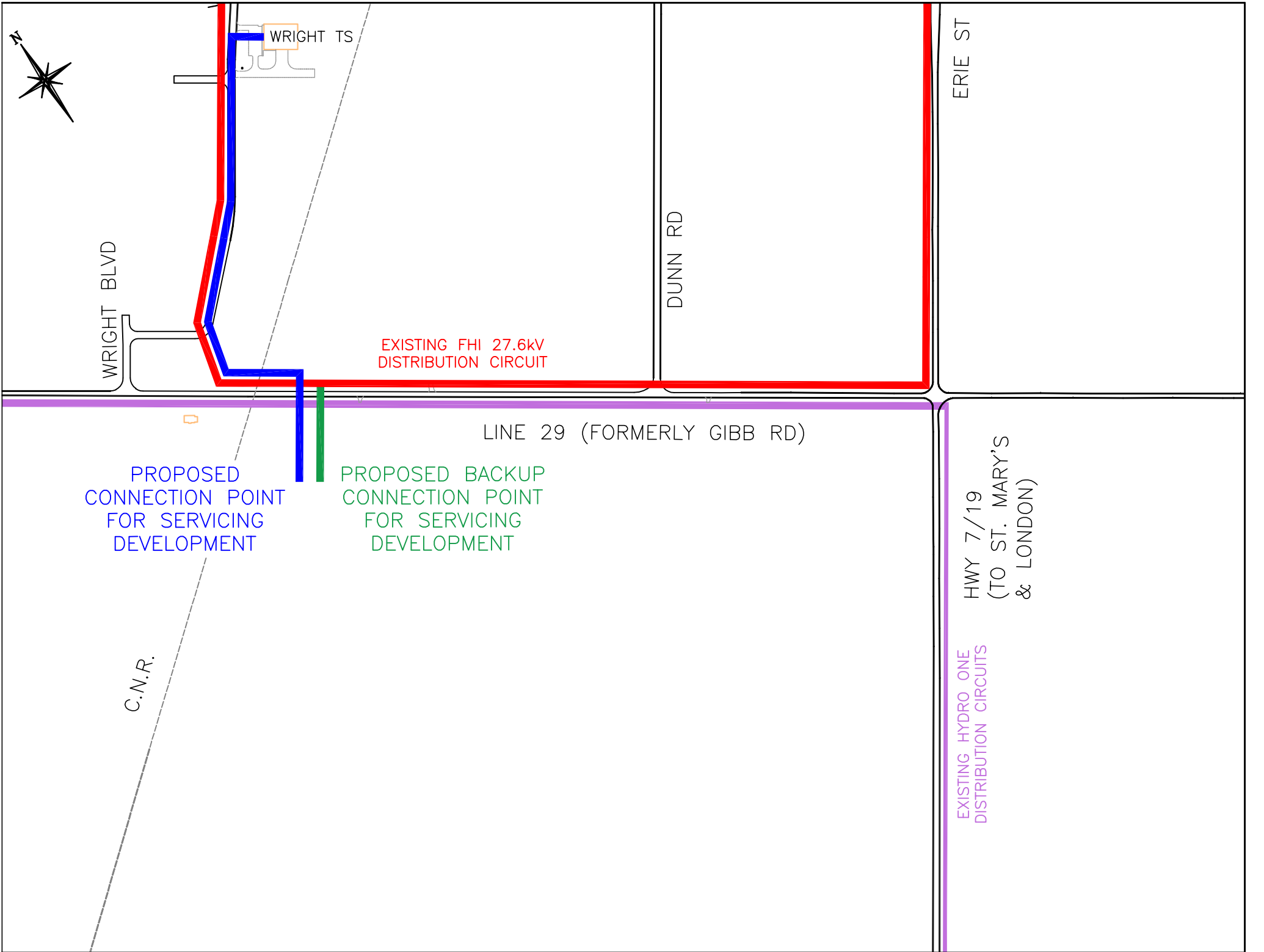


**SCHEDULE C**

**EXISTING INFRASTRUCTURE (FESTIVAL AND HYDRO ONE)  
AND PROPOSED FESTIVAL INFRASTRUCTURE**

**See attached**





C.N.R.

WRIGHT BLVD

WRIGHT TS

EXISTING FHI 27.6kV  
DISTRIBUTION CIRCUIT

PROPOSED  
CONNECTION POINT  
FOR SERVICING  
DEVELOPMENT

PROPOSED BACKUP  
CONNECTION POINT  
FOR SERVICING  
DEVELOPMENT

LINE 29 (FORMERLY GIBB RD)

DUNN RD

ERIE ST

EXISTING HYDRO ONE  
DISTRIBUTION CIRCUITS

HWY 7/19  
(TO ST. MARY'S  
& LONDON)

**SCHEDULE D**

**HYDRO ONE CONSENT LETTER**

**See attached**

**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

July 23, 2019

Ysni Semsedini, CEO  
Festival Hydro Inc.  
187 Erie Street, PO Box 397  
Stratford, ON  
N5A 6T5

Dear Mr. Semsedini,

**Festival Hydro Inc. Application for a Service Area Amendment**

This is to confirm that Hydro One Networks Inc. (“Hydro One”) supports your application to amend the Festival Hydro Inc. (“Festival”) Distribution Licence as proposed in Festival’s service area amendment application. The intent of the application is to amend Festival’s distribution licence to include 3516 Road 119, in the City of Stratford that is legally described as follows in the service area amendment application:

Part of Lot 2, part of Lot 3 and part of Lot 4, Concession 5, Geographic Township of Downie, now the Township of Perth South, County of Perth.

Hydro One supports Festival’s request to proceed with this service area amendment without a hearing.

In concert with this consent, Hydro One recommends that the Ontario Energy Board amend Hydro One’s distribution licence to accurately reflect multiple distributors in the Township of Perth South. The recommended revisions are the following:

- (a) Remove from **Appendix B, Tab 1 Municipalities:**

**Name of Municipality:** The Township of Perth South

**Formerly Known As:** Township of Downie, Township of Blanshard, as at December 31, 1997.

- (b) Add 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:** The Township of Perth South

**Formerly Known As:** Township of Downie, Township of Blanshard, as at December 31, 1997.

**Area Not Served by Networks:** The area served by Festival Hydro Inc. within the former Township of Downie, as more particularly set out in Licence No. ED-2002-0513

**Networks assets within area not served by Networks:** Yes

**Customer(s) within area not served by Networks:** No

If you have any questions or concerns, please contact Pasquale Catalano at [Pasquale.Catalano@HydroOne.com](mailto:Pasquale.Catalano@HydroOne.com) or alternatively, via telephone, at 416-345-5405.

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson

c/

Jeff Graham, Festival Hydro (electronic only)

Aarani Pathmanatha, Hydro One (electronic only)

**SCHEDULE E**

**DEVELOPER SUPPORT LETTER**

**See attached**



## XINYI CANADA GLASS LIMITED

Suite 702-704, 3601 Highway 7 East, Markham, ON, Canada, L3R 0M3

Tel: (647) 847-2507 | Email: [info@xinyicanada.com](mailto:info@xinyicanada.com)

Jun 29, 2019

Festival Hydro Inc.

187 Erie Street, PO Box 397

Stratford, ON N5A 6T5

Attention: Mr. Jeff Graham, P.Eng., Vice President Engineering & Operations

RE: Service Area Amendment – Part of Lot 2, Lot 3 and Lot 4, Concession 5, Geographic Township of Downie, now the Township of Perth South, County of Perth

Dear Jeff:

As previously discussed, Xinyi Canada Glass Limited would like to confirm our preference that Festival Hydro be the local distribution company (LDC) that supplies this development. We understand that Festival Hydro will need to make an application to the Ontario Energy Board to amend the Service Area description to include this development within Festival Hydro's Service Area.

The legal description of the development is "Part of Lot 2, Lot 3 and Lot 4, Concession 5, Geographic Township of Downie, now the Township of Perth South, County of Perth".

Please consider this letter as our intent to have Festival Hydro as our service provider, and this letter may be included with your application to the OEB and shared with Hydro One.

If you require anything related to this development, please contact the undersigned.

A handwritten signature in blue ink that reads 'Tommy Wong' in a cursive, flowing script.

Tommy Wong

President

Xinyi Canada Glass Limited

Unit 402, 7300 Warden Ave.,

Markham, ON, Canada, L3R 9Z6

Tel: (905) 604-7001

email: [tommy@xinyicanada.com](mailto:tommy@xinyicanada.com)