

DECISION AND ORDER EB-2019-0303

FESTIVAL HYDRO INC.

Application for a Service Area Amendment

BY DELEGATION, BEFORE: Brian Hewson

Vice President

Consumer Protection & Industry Performance

DECISION AND ORDER

Festival Hydro Inc. (Festival Hydro) filed an application with the Ontario Energy Board (OEB) on December 20, 2019 under section 74 of the *Ontario Energy Board Act, 1998* (OEB Act) for an amendment to Schedule 1 of its distribution licence ED-2002-0513.

Festival Hydro requested the amendment so that it may provide electricity service to a new subdivision in the City of Stratford. The subject land, with a legal description Part of Lot 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, which is vacant, will be developed by Xinyi Canada Glass Limited (Developer) into an industrial subdivision, which is the continuation of the existing industrial development in the southwest end of Stratford. The subject land is currently located within the licensed service area of Hydro One Networks Inc. (Hydro One) and is adjacent to Festival Hydro's service territory. The service areas within which Festival Hydro and Hydro One are authorized to provide electricity distribution services are set out in Schedule 1 of their respective licences ED-2002-0513 and ED-2003-0043.

The application has been considered by the Delegated Authority without holding a hearing pursuant to section 6(4) of the OEB Act.

The evidence filed with the application demonstrates that it is more economically efficient for Festival Hydro to serve the proposed development. The evidence identified that Festival Hydro has existing infrastructure near the subject area that can provide the required electrical service with minimal investment. To supply the development, Festival Hydro will install a new underground 27.6 kV circuit from the Festival Hydro's MTS#1 to the property. Although Hydro One also has existing distribution infrastructure that lies along the property, it does not have sufficient capacity to meet the demand. In order to connect the development, Hydro One would need to make a significant investment in its Stratford TS and install a new feeder, approximately 8 km in length.

Hydro One and the Developer have confirmed their support of the application through the consent letters filed as part of the application.

The evidence states that no assets will be stranded as a result of the proposed amendment. Rates of both distributors will be unaffected and there will be no effect on safety, reliability or quality of electricity supply to customers.

Based on the evidence, the OEB finds it to be in the public interest to approve the service area amendment proposed by Festival Hydro. Festival Hydro's and Hydro One's licences will be amended to reflect the proposed service area amendment.

IT IS ORDERED THAT:

1. Festival Hydro Inc.'s electricity distribution licence (ED-2002-0513), specifically Schedule 1 of the licence, is amended to add the following:

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.

- 2. Hydro One Networks Inc.'s electricity distribution licence (ED-2002-0513), specifically Schedule 1 of the licence, is amended as follows:
 - 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

The amended licences are attached to this Decision and Order.

DATED at Toronto March 12, 2020

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson Vice President, Consumer Protection & Industry Performance