

Entegrus Powerlines Inc. 320 Queen St. (P.O. Box 70) Chatham, ON N7M 5K2 Phone: (519) 352-6300 Toll Free: 1-866-804-7325 entegrus.com

March 25, 2020

Ms. Kirsten Walli Ontario Energy Board PO Box 2319 27th Floor, 2300 Yonge Street Toronto, Ontario M4P 1E4

Re: Application for Service Area Amendment

Dear Ms. Walli,

Entegrus Powerlines Inc. ("Entegrus") respectfully submits the following Service Area Amendment application. By way of this application, Entegrus seeks Ontario Energy Board ("Board") approval to amend its Distribution Licence (ED-2002-0563).

The complete application was submitted today via the Board's web portal in both electronic PDF form.

Entegrus respectfully requests that this Application be processed by way of written hearing.

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

Regards,

[Original signed by]

David C Ferguson Vice President of Regulatory & Human Resources Phone: 519-352-6300 Ext 558 Email: regulatory@entegrus.com

cc: Tomo Matesic, Vice President Engineering & Operations Patricia Coca, Senior Distribution Engineer Andrya Eagen, Manager of Regulatory & Reporting

ENTEGRUS[™]

Application for Service Area Amendment

Application & Evidence Licence: ED-2002-0563 Date Filed: March 25, 2020



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2 LIST OF EXHIBITS

- 1. Map of Entegrus Proposed Connection
- 2. Map of Border of Applicant and Incumbent Service Area
- 3. Map of Geographical Features Surrounding the Area
- 4. Map of Proposed & Existing Facilities Supplying the Area
- 5. Map of Harvest Run Subdivision Phase 2B
- 6. Developer Support Letter
- 7. Hydro One Consent Letter



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3 INTRODUCTION

Entegrus Powerlines Inc. ("Entegrus") is making this application (the "Application") to the Ontario Energy Board ("OEB") pursuant to Section 74(1) of the Ontario Energy Board Act, 1998 for the purpose of amending the licenced service area of Entegrus as described in Schedule 1 of its Distribution Licence ED-2002-0563 (the "Service Area") to include the Harvest Run Phase 2B Subdivision in the County of Elgin (the "Subject Area"), owned by Doug Tarry Limited. This property is the third phase of the development within the municipal boundary of the City of St. Thomas, but outside the existing Service Area of Entegrus. Entegrus already serves Phase 1 (EB-2017-0122) and Phase 2A (EB-2018-0203) of the same development.

The Subject Area is currently within the service territory of Hydro One Networks Inc. ("Hydro One"), and adjacent to the Entegrus Service Area, as currently defined in Schedule 1 of Licence ED-2002-0523. The Subject Area is owned by Doug Tarry Limited ("Developer"), located in the southeast section of St. Thomas, and is designated for residential development.

The Subject Area is shown in Exhibit 5.

The Subject Area is legally described as:

Harvest Run Phase 2B consisting of part of Blocks 105, 118, 119, 120, Register Plan 11M-216 in the City of St. Thomas.

For the reasons set out herein, it is in the public interest to amend Schedule 1 of the Entegrus electricity distribution licence, entitled "The St. Thomas Energy Inc. Rate Zone" (starting on page 16) to add the above Subject Area as line 10 of the licence.

In considering this application, Entegrus understands that the Board will be guided by the principles articulated in the Board's Filing Requirements for Service Area Amendment Applications dated March 12, 2007 and included as Chapter 7 of the Filing Requirements for Transmission and Distribution Application, together with the Board's Decision with Reasons in the RP-2003-0044 combined service area amendments proceeding (the "Combined Proceeding"). This Application satisfies each of those



requirements. The Developer has indicated that it prefers Entegrus as the distributor for the Subject Area. A copy of the letter of support has been included in Exhibit 6.

Hydro One has agreed to consent to this Application and the required expansion of Entegrus' service territory to service the Subject Area. A copy of the letter of consent is included in Exhibit 7. Given the manner in which Schedule 1 of Hydro One's licence is presented, it would not need to be amended if this SAA application is approved.

Entegrus requests that the Board dispose of this Application without a hearing pursuant to Section 21(4) of the Ontario Energy Board Act, 1998. As described further below, no person will be adversely affected in a material way by the outcome of this Application other than Entegrus, Hydro One (who has consented) and the Developer (who prefers Entegrus).



4 GENERAL

4.1 CONTACT INFORMATION

The contact information for all affected parties is listed below.

Applicant:

1) Tomo Matesic, Vice President of Engineering & Operations

Entegrus Powerlines Inc. 320 Queen St Chatham, Ontario N7M 5K2

Telephone: 519-352-6300 ext. 4349

Email address: tomo.matesic@entegrus.com

2) David Ferguson, Vice President of Regulatory & Human Resources

Entegrus Powerlines Inc. 320 Queen St Chatham, Ontario N7M 5K2

Telephone: 519-352-6300 ext. 4558

Email address: regulatory@entegrus.com

3) Patricia Coca, Senior Distribution Engineer

Entegrus Powerlines Inc. 135 Edward St, St Thomas ON N5P 3V2

Telephone: 519-631-5550 ext. 5256

Email address: patricia.coca@entegrus.com



The Incumbent Distributor:

Pasquale Catalano, Advisor Regulatory Affairs

Hydro One Networks Inc. 483 Bay Street, South Tower, 7th floor Toronto, Ontario M5G 2P5

Telephone: 416-345-5405

Email: regulatory@hydroone.com

Alternate Distributors

None

Developer Representative:

Deren Lyle, P. Eng.

Cyril J. Demeyere Limited Consulting Engineers

261 Broadway, P.O. Box 460, Tillsonburg, Ontario. N4G 4H8

Phone: 519-688-1000 / 866-302-9886

Email: dlyle@cjdleng.com

The Developer (and registered owner of the Subject Area)

Alexandra Haasen, H.B.A

Doug Tarry Limited. 358 Elm Street St. Thomas, ON N5R 1K1

Phone: 519-631-9300

Email: alex@dougtarryhomes.com



4.2 REASONS FOR AMENDMENT

The service area amendment proposed in this Application is in the public interest as defined in the Combined Proceeding, for the following reasons:

- 1. The Developer's preference is that Entegrus service the Subject Area (see Exhibit 6).
- 2. The proposed Service Area Amendment ("SAA") is consistent with the objective of a rational and efficient service area alignment based on both economic and engineering efficiency.
- 3. Entegrus 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 within close proximity to the Subject Area. Following discussions between the two distributors, the parties concluded that Hydro One's costs to service the property are greater than Entegrus' and Hydro One agreed to consent to this SAA application (see Exhibit 7).
- 4. Entegrus' connection proposal for the Subject Area is comparable to Hydro One's in terms of system planning, safety and service reliability.
- 5. The proposed SAA will not result in stranded or duplicated assets.
- 6. The incorporation of the Subject Area into Entegrus' Service Area will be seamless. The Subject Area is adjacent to and abuts an earlier developed phase of the same subdivision within Entegrus' Service Area.

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

4.3 DESCRIPTION OF PROPOSED SERVICE AREA

The Subject Area is generally referred to as Harvest Run Subdivision Phase 2B, and consists of 106 lots (84 single-detached, 40 semi-detached and 6 townhouse residential dwellings).

The legal description of the Subject Area is described in Section 3 above.

Exhibit 4 shows the proposed and existing facilities surrounding the area.



Exhibit 5 shows the full extent of property owned by the Developer.

4.4 MAPS AND DIAGRAMS OF PROPOSED SERVICE AREA

- The following maps, diagrams and pictures are attached:
- Exhibit 1 Map of Entegrus Proposed Connection
- Exhibit 2 Map of Border of Applicant and Incumbent Service Area
- Exhibit 3 Map of Geographical Features Surrounding the Area
- Exhibit 4 Map of Proposed & Existing Facilities Supplying the Area
- Exhibit 5 Map of Map of Harvest Run Subdivision Phase 2B.
- Exhibit 6 Developer Letter of Support
- Exhibit 7 Hydro One Letter of Consent

Collectively, these maps identify the Subject Area, the existing borders of Entegrus 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.

4.5 DESCRIPTION OF PROPOSED PHYSICAL CONNECTION

The Subject Area consists of 106 lots (84 single-detached, 40 semi-detached and 6 townhouse residential dwellings). For the economic modeling and system planning, a residential load of 607 kWh per month of additional load to the Entegrus system was contemplated. The Developer has requested connection in July 2020.

The Subject Area will be supplied by extending four single phases from the existing Entegrus underground system. The points of connection are on Acorn Trail, Ashberry Place, Ambrosia Path and Renaissance Drive.



The existing and proposed infrastructures are shown in Exhibit 4.

4.6 FUTURE EXPANSIONS IN ADJACENT LANDS

The Site Plan shown in Exhibit 5 and the Developer Owned Property Map in Exhibit 3 identify the property owned by the Developer.



5 EFFICIENT RATIONALIZATION OF THE DISTRIBUTION SYSTEM

The proposed SAA will result in a rational and efficient service area and optimize the use of existing distribution assets.

5.1 LOCATION OF THE POINTS OF DELIVERY AND CONNECTION

As noted above, the Subject Area is adjacent to and abuts an existing subdivision within Entegrus' Service Area.

Exhibit 1 shows the existing infrastructure at Acorn Trail, Ashberry Place, Ambrosia Path and Renaissance Drive that will be extended to the new development.

Entegrus understands that Hydro One would supply this development by extending its existing distribution along the future Empire Parkway.

5.2 PROXIMITY TO DISTRIBUTION SYSTEM

Entegrus currently services lands adjacent to and abutting the existing subdivision, as noted in Exhibit 1. The nearest Hydro One assets are located on Centennial Road. The proximity of Hydro One's assets are shown in Exhibit 2.

5.3 FULLY ALLOCATED CONNECTION COSTS

Based on Hydro One's assessment of the development and the proximity of Entegrus' assets versus Hydro One's assets, Hydro One agreed to consent to Entegrus' request for a service area amendment.

5.4 CAPITAL CONTRIBUTION

The amount of capital contribution required from the customer by Entegrus is \$44,855.60.

5.5 STRANDED EQUIPMENT COSTS

There will be no stranded equipment due to the proposed SAA. Consequently, the costs are nil.



5.6 INFRASTRUCTURE RELIABILITY

The proposed SAA will not have any adverse effects on reliability in the Subject Area or adjacent areas. This will be an incremental expansion of Entegrus distribution system.

5.7 COST-EFFECTIVENESS OF FUTURE EXPANSIONS

The infrastructure proposed by Entegrus will adequately supply the proposed 106 lots.

5.8 COST-EFFECTIVENESS OF IMPROVEMENTS AND UPGRADES

The infrastructure proposed by Entegrus will not adversely affect the cost-effectiveness of future improvements and upgrades in the area.



6 IMPACTS ARISING FROM THE PROPOSED AMENDMENT

6.1 AFFECTED CUSTOMERS AND LAND OWNERS

The Subject Area is vacant land owned by the Developer. The Developer supports the proposed amendment. There are no other customers affected.

6.2 CUSTOMER IMPACTS WITHIN SUBJECT AREA

Approval of this SAA 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 additional distribution revenue.

6.3 CUSTOMER IMPACTS OUTSIDE SUBJECT AREA

Approval of this SAA 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 distribution revenue.

6.4 DISTRIBUTOR IMPACTS

Approval of this SAA will not result in any negative impact on Entegrus' costs, service quality or reliability. Instead, Entegrus will have a favourable customer impact in terms of costs and rates with additional customer growth and distribution revenue.

6.5 STRANDED AND REDUNDANT ASSETS

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

6.6 TRANSFERRED ASSETS

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



6.7 TRANSFERRED CUSTOMERS

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

6.8 ELIMINATED LOAD TRANSFERS OR RETAIL POINTS

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

6.9 NEW LOAD TRANSFERS OR RETAIL POINTS

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

6.10 WRITTEN CONFIRMATION OF FULL DISCLOSURE

Entegrus confirms that all affected parties have been provided with specific and factual information about the proposed SAA. As mutually agreed upon by both Hydro One and Entegrus, the Developer will be receiving an Offer to Connect from Entegrus. Entegrus intends to provide the offer to the Developer by March 13, 2020.

6.11 CONSENT OF INCUMBENT DISTRIBUTOR

Hydro One has consented to this SAA, and a copy of the letter of consent is attached as Exhibit 7.

6.12 CONSENT OF DEVELOPER

The Developer has provided their consent via a letter of support attached as Exhibit 6.

6.13 MITIGATION EFFORTS RELATED TO CUSTOMER AND ASSET TRANSFER

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



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7 CUSTOMER PREFERENCE

The Developer has indicated their preference to have Entegrus supply this Development, as noted in their letter of support attached as Exhibit 6.



Map of Entegrus Proposed Connection

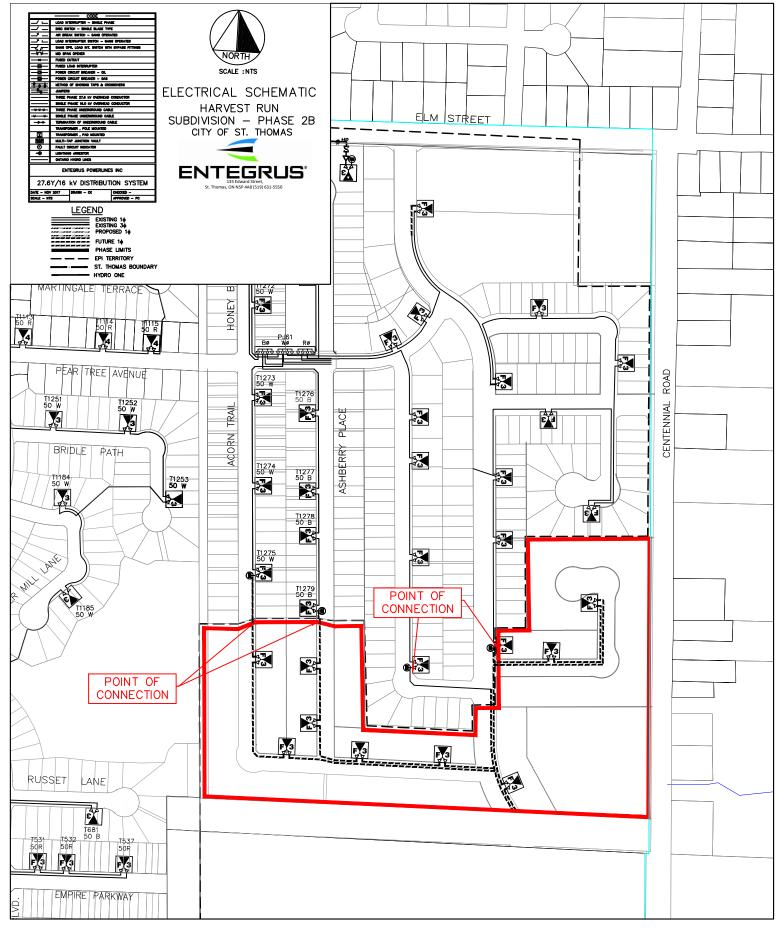
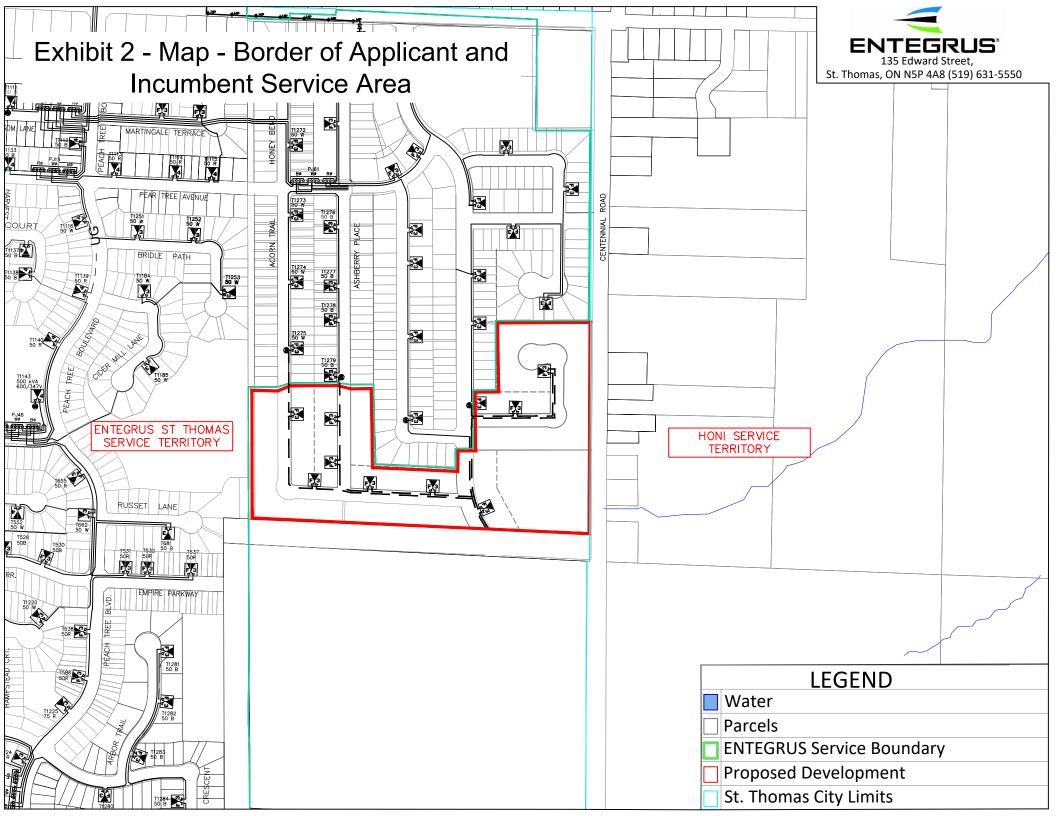


Exhibit 1 - Map - ENTEGRUS Proposed Connection

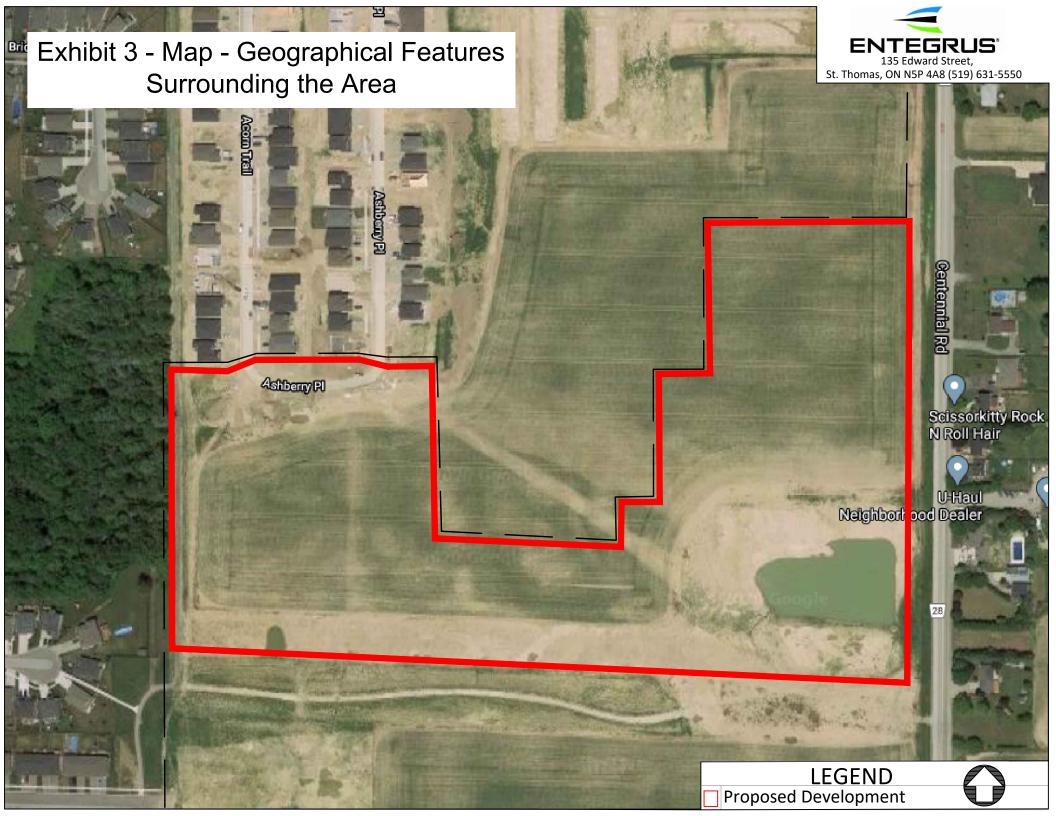


Map of Border of Applicant and Incumbent Service Area





Map of Geographical Features Surrounding the Area





Map of Proposed & Existing Facilities Supplying the Area

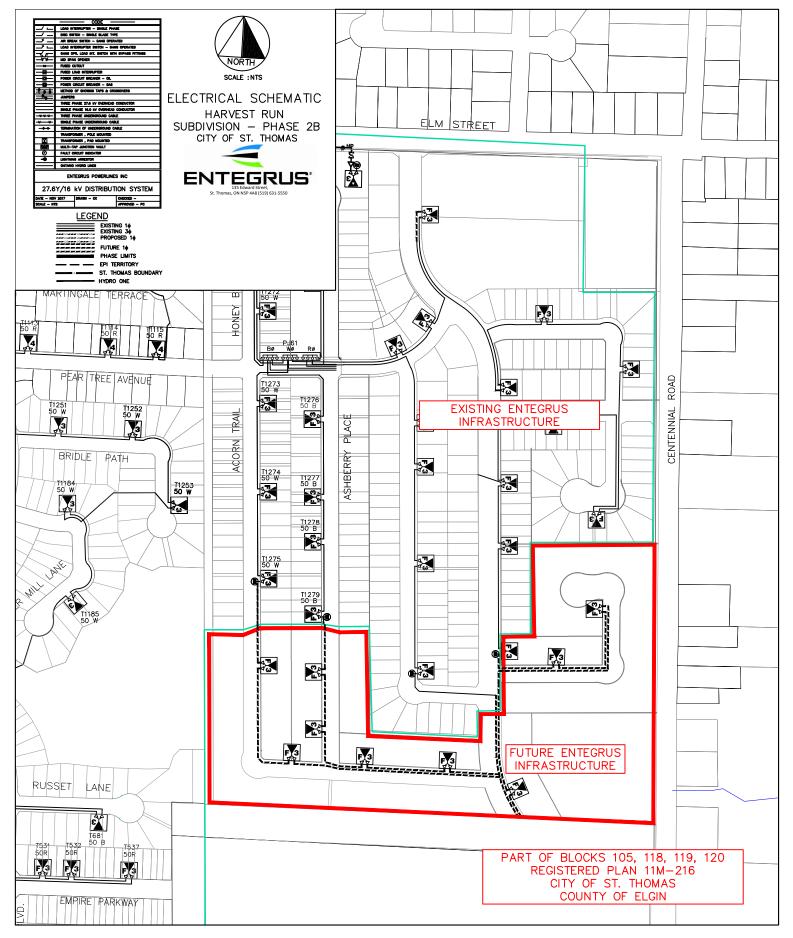


Exhibit 4 - Map - Proposed & Existing Facilities Supplying the Area



Map of Harvest Run Subdivision Phase 2B

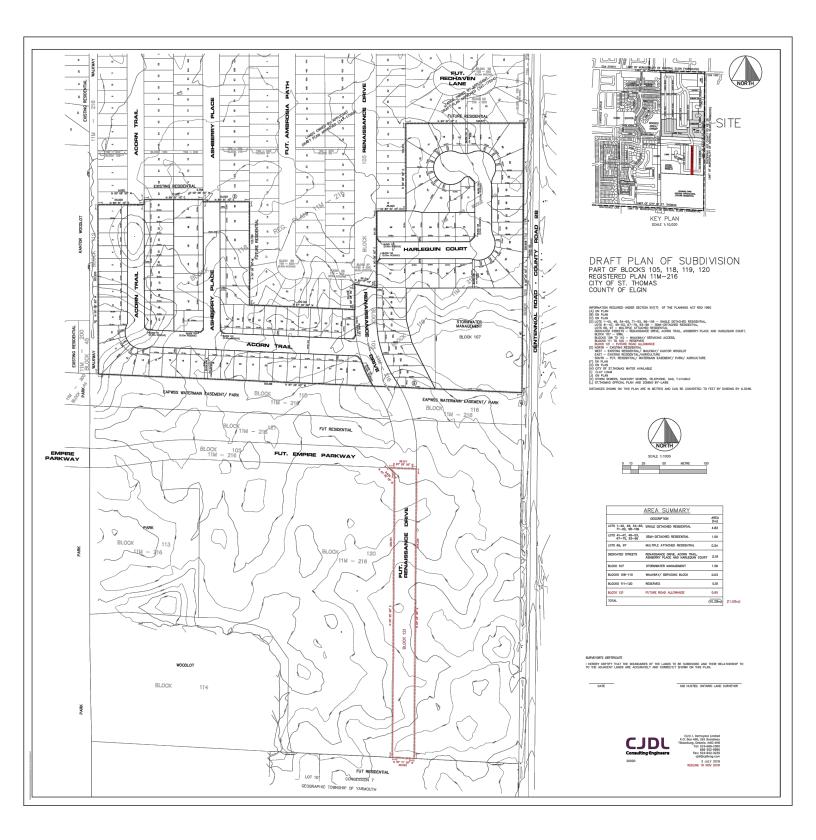


Exhibit 5 - Map - Harvest Run Phase 2B



Developer Support Letter

February 25, 2020

Hydro One Networks Inc. 483 Bay St., 13th floor North Tower Toronto, Ontario M5G 1P5

Attention: Aarani Pathmanathan, Sr. Network Mgmt. Officer, Dx Investment Planning.

Re: Service Area Amendment Request – Harvest Run Subdivision Phase 2B

Please accept this letter as our request for Hydro One Networks Inc. (HONI) to voluntarily accept and support a service area amendment for the proposed subdivision known as Harvest Run Subdivision, Phase 2B, as outlined in the PDF file "34T-19502 Draft plan.PDF", attached.

This subdivision lies alongside our existing Harvest Run Subdivision, Phase 2A Stage 2 in the City of St Thomas. It would be a logical extension of this past development, and it is our wish to allow Entegrus Powerlines to continue to be the supplier of the services for this subdivision.

As seen on the drawing, this subdivision consists of 84 single-detached, 40 semidetached and 6 townhouse dwellings. For the purposes of load calculations, please assume each dwelling will have a 200-amp service and draw an average load of 607 kWh per month.

There is a substantial amount of construction scheduled for this year (2020) and as such, we wish to begin development and construction as soon as possible. Therefore, we would appreciate receiving your support to move forward with the Service Area Amendment (SAA) application to the Ontario Energy Board (OEB) in a timely manner. We have copied Entegrus Powerlines on this request, as they are preparing the draft application to the OEB with the request for a SAA as per Aarani's e-mail to Deren Lyle, CJDL, dated February 20, 2020. It is our desire to have the application submitted as soon as possible. If we could receive your letter of support by March 3rd, 2020, we would greatly appreciate it.

Doug Tarry Homes Limited 358 Elm Street, St. Thomas, Ontario N5R 1K1 Main Office 519-631-9300 | Design Studio 519-637-6819 | www.dougtarryhomes.com Sincerely,

Alexandra Haasen, H.B.A Associate Planner Doug Tarry Ltd.

cc: Musaab Choudhry, Hydro One Networks Account Executive, <u>Musaab.Choudhry@HydroOne.com</u> Tomo Matesic, Entegrus VP of Engineering & Operations, <u>tomo.matesic@entegrus.com</u> David Ferguson, Entegrus VP of Regulatory & Human Resources, <u>david.ferguson@entegrus.com</u>

C DOUG TARRY

Attachments:

34T-19502 Draft plan.PDF

Doug Tarry Homes Limited 358 Elm Street, St. Thomas, Ontario N5R 1K1 Main Office 519-631-9300 | Design Studio 519-637-6819 | www.dougtarryhomes.com



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 24, 2020

Tomo Matesic, Vice President of Engineering & Operations Entegrus Powerlines Inc. 320 Queen Street, Chatham, ON N7M 5K2

Dear Mr. Matesic,

Entegrus Powerlines Inc. Application for a Service Area Amendment

This is to confirm that Hydro One Networks Inc. ("Hydro One") supports your application to amend the Entegrus Powerlines Inc. ("Entegrus") Distribution Licence as proposed in Entegrus' service area amendment application. The intent of the application is to amend Entegrus' distribution licence to include the property legally described as follows in the service area amendment application:

Harvest Run Phase 2B consisting of part of Blocks 105, 118, 119, 120, Register Plan 11M-216 in the City of St. Thomas.

Hydro One supports Entegrus' request to proceed with this service area amendment without a hearing.

If you have any questions or concerns, please contact Pasquale Catalano at <u>Pasquale.Catalano@HydroOne.com</u> or alternatively, via telephone, at 416-345-5405.

Sincerely,

ORIGINAL SIGNED BY JOANNE RICHARDSON

Joanne Richardson

c/

Aarani Pathmanathan, Hydro One (electronic only)