

**Hydro One Networks Inc.**

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**Joanne Richardson**

Director – Major Projects and Partnerships  
Regulatory Affairs

BY EMAIL AND RESS

November 11, 2020

Ms. Christine E. Long  
Board Secretary  
Ontario Energy Board  
Suite 2700, 2300 Yonge Street  
P.O. Box 2319  
Toronto, ON M4P 1E4

Dear Ms. Long:

**Service Area Amendment Application for Hydro One Networks Inc. and EPCOR Electricity Distribution Ontario Inc. to connect a single residential customer at 171 Russell Street E. in Thornbury**

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Hydro One Networks Inc. (“Hydro One”) is submitting this Service Area Amendment application (“the Application”) to the Ontario Energy Board to request an amendment to Hydro One’s Distribution Licence (ED-2003-0043) and the distribution licence of EPCOR Electricity Distribution Ontario Inc. (“EPCOR”) (ED-2002-0518). The Application is being made specifically for the purpose of connecting a single residential customer at 171 Russell Street E. in Thornbury and has received the consent of EPCOR.

Should you have any questions on this application, please contact Pasquale Catalano at (416) 345-5405 or via email at [Pasquale.Catalano@HydroOne.com](mailto:Pasquale.Catalano@HydroOne.com).

Sincerely,

A handwritten signature in dark ink, appearing to read "Joanne Richardson".

Joanne Richardson

**Service Area Amendment Application**

**Hydro One Networks Inc.**

**And**

**EPCOR Electricity Distribution Ontario Inc.**

**November-11-20**

## 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.*

Hydro One Networks Inc. (“Hydro One”) is submitting this Service Area Amendment (“SAA”) application (“the Application”) to the Ontario Energy Board (“OEB”) to request an amendment to Hydro One’s Distribution Licence (ED-2003-0043) and the distribution licence of EPCOR Electricity Distribution Ontario Inc. (“EPCOR”) (ED-2002-0518). The Application is being made specifically for the purpose of connecting a single residential customer at 171 Russell Street E. in Thornbury (“the Customer”).

The Customer is currently within EPCOR territory. The location was previously serviced by EPCOR. The Customer recently requested an upgrade, at which time, EPCOR recognized that the Customer is being serviced by an aerial trespass over the adjacent property and could not reconnect the Customer without a lengthy expansion. Hydro One has an existing distribution line directly across the street from the Customer to which the customer can be easily connected. As such, EPCOR approached Hydro One to request that they service this customer, and Hydro One agreed, as Hydro One can service this customer with better economic and engineering efficiency than EPCOR can.

For the reasons set out in the Application, Hydro One respectfully submits that it is in the public interest to amend the licenses of both Hydro One and EPCOR to include these development lands in Hydro One’s service territory. The request is supported by EPCOR, as outlined in the letter of support that is attached to the Application, where EPCOR outlines its support of the Application and consents that the Application be disposed of without a hearing. This letter is available as Attachment 2 of the Application. The Application is also supported by the Customer. At Attachment 3 of the Application, the Customer notes that he prefers that Hydro One service the subject area.

Hydro One is filing the Application consistent with Chapter 7 of the Filing Requirements for Transmission and Distribution Applications and the Board’s Decision with Reasons in the RP-2003-0044 combined service area amendments proceeding (the “Combined Proceeding”). Hydro One respectfully submits that this application satisfies these requirements.

## 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:**

Hydro One Networks Inc.  
483 Bay Street, 7th Floor, South Tower, Toronto, ON M5G 2P5  
Phone: (416) 345-5405 Fax: (416) 345-5866  
Email: [Regulatory@HydroOne.com](mailto:Regulatory@HydroOne.com)

Contact Person:  
Pasquale Catalano, Advisor, Regulatory Affairs  
Phone: (416) 345-5405  
Email: [Pasquale.Catalano@HydroOne.com](mailto:Pasquale.Catalano@HydroOne.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 or Co-Applicant:  
EPCOR Electrical Distribution Ontario Inc.  
Name: Tim Hesselink  
Position: Senior Manager, Regulatory Affairs  
Address: 43 Stewart Rd, Collingwood, ON, L9Y 4M7  
Telephone: 705-445-1800 ext. 2274  
Email address: [thesselink@epcor.com](mailto:thesselink@epcor.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*

< Provide information here>

The Customer:

Cameron Paulikot

171 Russell St. E., Thornbury, ON, N0H 2P0

Telephone: 416-999-1904

Email address: [cameron.paulikot@gmail.com](mailto:cameron.paulikot@gmail.com)

### 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 or other parties affected by this SAA.

### 7.1.2 REASONS FOR APPROVAL OF THIS AMENDMENT

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

Hydro One submits that this amendment should occur because it is consistent with the guidelines presented in both the Filing Requirements for SAA's and the Combined Proceeding. The Application demonstrates that having Hydro One service the subject area will present the most economically efficient option for servicing the Customer. Moreover, the Customer and the adjacent distributor have documented their support to have Hydro One service the subject area.

The development lies directly across the street from Hydro One's existing developed infrastructure. EPCOR would require a lengthy expansion to access the development.

## DESCRIPTION OF PROPOSED SERVICE AREA

### 7.1.3

*Provide a detailed description of the lands that are the 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 requested amendment is for a single residential property located at 171 Russell St. E., in Thornbury. Please see Attachment 1 for a map showing the subject area.

The wording in Hydro One's licence should be updated to read as follows:

**Name of Municipality:** Town of Blue Mountains

**Formerly Known As:** Town of Thornbury, Township of Collingwood, as at December 31, 1997.

**Area Not Served by Networks:** The area served by EPCOR Electricity Distribution Ontario Inc. described as the former Town of Thornbury, as more particularly set out in Licence No. ED-2002-0518

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

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

EPCOR's proposed licence amendments are included as Attachment 4 of this application.

### 7.1.4

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

See Attachment 1.

#### 7.1.4 (a)

*Borders of the applicant's service area*

See Attachment 1.

#### 7.1.4 (b)

*Borders of the incumbent distributor's service area*

See Attachment 1.

#### **7.1.4 (c)**

*Borders of any alternate distributor's service area*

N/A – there are no alternate distributors surrounding this area.

#### **7.1.4 (d)**

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

See Attachment 1.

#### **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*

See Attachment 1.

#### **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)*

See Attachment 1.

### **DISTRIBUTION INFRASTRUCTURE IN AND AROUND THE PROPOSED AMENDMENT AREA**

#### **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).*

This SAA is for a single residential customer. The Customer will be fed by Hydro One's existing Clarksburg DS F2, which is directly across the street from the Customer's property. See Attachment 1.

### 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.*

Hydro One does not have any plans for expansion in the lands adjacent to the area that is subject to this 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.*

The Application represents the most economically efficient way to service the area. Hydro One has assets directly across the street from the Customer's connection point.

### 7.2.1 ECONOMIC AND ENGINEERING EFFICIENCY

*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*

Hydro One will service the Customer's property using its existing Clarksburg DS F2, which is directly across the street from the subject area.

#### 7.2.1 (b)

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

The proposed new connection lies along Hydro One's existing distribution system. EPCOR would require a lengthy expansion to access the subject area.



### 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).*

Based on a joint assessment of the subject area and associated development plans, EPCOR has provided consent to Hydro One servicing the subject area. As such, Hydro One respectfully submits that it is not necessary to provide the fully allocated connection costs.

Please see Attachment 2.

### 7.2.1 (d)

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

A capital contribution will not be required from the Developer.

### 7.2.1 (e)

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

There will not be equipment or assets stranded as a result of this SAA.

### 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*

This new connection will not impact the reliability of the infrastructure surrounding the subject area.

### 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*

Hydro One does not have plans for expansion beyond this single customer connection.

### 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.*

Hydro One does not have plans for expansion beyond this single customer connection.

## 7.3 IMPACTS ARISING FROM THE PROPOSED AMENDMENT

### Description of Impacts

#### 7.3.1

*Identify any affected customers or landowners.*

Please refer to 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.*

This section is not applicable as this is a new customer connection.

#### 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.*

No customers of another distributor will be affected by the proposed connection.

#### 7.3.4

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

See proposed licence amendments in section 7.1.3.

### 7.3.5

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

The proposed SAA will not result in the stranding of any assets, nor will any assets be made redundant.

### 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.*

N/A

### 7.3.7

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

There are no existing customers that will be transferred as a result of the Application.

### 7.3.8

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

There will be no load transfers or retail points of supply eliminated by the 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 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.*

See Attachments 2 and 3.

### 7.3.11

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

See Attachment 2.

### 7.3.12

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

See Attachment 3.

### 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).*

Not applicable, as there are no existing customers being transferred as a result of the Application.

## 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.*

See Attachment 3.

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

*If there is no agreement among affected persons regarding the proposed SAA, the applicant must file the additional information set out below.*

N/A

### **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.*

N/A

### **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.*

N/A

### **7.5.3**

*Actual copies of, as well as a summary of, the offer(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.*

N/A

### **7.5.4**

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

N/A

### 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.*

N/A

### 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.*

N/A

### 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.*

N/A

## 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.*

N/A

## **7.7 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.**

For the reasons documented throughout this Application, Hydro One confirms no ratepayer will be adversely impacted in a material way by this Application and Hydro One therefore consents for the disposal of the application without a hearing.

**Dated:** November 11, 2020

## **7.8 WRITTEN CONSENT/JOINT AGREEMENT**

Hydro One Networks Inc. agrees to all the statements made in the Application.



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**Joanne Richardson**  
**Director – Major Projects and Partnerships**  
**Hydro One Networks Inc.**

**Dated:** November 11, 2020

# ATTACHMENT 1

## SERVICE TERRITORY MAP





**ATTACHMENT 2**

**EPCOR Consent Letter**



43 Stewart Road  
Collingwood, Ontario  
L9Y 3M7 Canada  
[epcor.com](http://epcor.com)

October 21, 2020

**Sent by EMAIL**

Aarani Pathmanathan  
Sr. Network Mgmt. Officer  
Hydro One Networks Inc.  
483 Bay St., 13th Floor  
Toronto, ON M5G 2P5

Dear Aarani,

**Re: 171 Russell Street East, Thornbury - Service Area Amendment**

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In July 2020, EPCOR received a service upgrade request from the property owner at 171 Russell Street East in the village of Thornbury. After completing a technical review, EPCOR has determined that significant distribution system upgrades would be required in order to accommodate this request. Due to the proximity of the Hydro One infrastructure to the border of our service territory, and the exclusion of planned upgrades of this specific area in our distribution system plan, connecting with existing Hydro One infrastructure would be more affordable and to the customer and expedite the process.

As result, EPCOR supports the filing of a Service Area Amendment to transfer the service of this account/address to Hydro One and agrees that Hydro One can connect this customer.

Please feel free to contact me if you have any questions regarding this matter.

Sincerely,

***Original Signed By Tim Hesselink***

Tim Hesselink  
Senior Manager, Regulatory Affairs  
EPCOR Electricity Distribution Ontario Inc.  
(705) 445-1800 ext. 2247  
[THesselink@epcor.com](mailto:THesselink@epcor.com)

## **ATTACHMENT 3**

### **Developer Consent Letter**

Cameron Paulikot  
171 Russell Street East  
Thornbury, ON N0H 2P0

**Telephone:** 416-999-1904

**Email:**  
Cameron.paulikot@gmail.com

November 3, 2020

**SENT BY EMAIL**

Hydro One Networks Inc.  
483 Bay St., 13<sup>th</sup> Floor  
Toronto, ON M5G 2P5

**Attention: Aarani Pathmanathan**

Dear Aarani:

Re: Residential connection at 171 Russell St. E., Thornbury

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It is my understanding that approval is required by the Ontario Energy Board (OEB) for the Service Area Amendment (SAA) application that is being made by Hydro One to transfer the property at 171 Russell Street E., Thornbury to Hydro One territory. I have been provided with specific and factual information regarding the proposed SAA, and fully support Hydro One's application. To expedite the matter, I would also request that the application be disposed without a hearing.

Yours very truly,

***Original Signed By Cameron Paulikot***

Cameron Paulikot

**ATTACHMENT 4**

**EPCOR Licence Amendment**

**SCHEDULE 1                      DEFINITION OF DISTRIBUTION SERVICE AREA**

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with paragraph 8.1 of this Licence.

1.        The Town of Collingwood as established on January 1, 1993, following the annexation of a part of Nottawasaga Township.
2.        The Town of Thornbury as of December 31, 1997, preceding the formation of the Town of the Blue Mountains, including the customer at the following physical address:
  - 189 Peel Street, Town of Blue Mountains (formerly Town of Thornbury)

excluding the customer at the following physical address:

  - 171 Russell Street East, Town of Blue Mountains (formerly Town of Thornbury)
3.        The Village of Creemore as of December 31, 1992, preceding the formation of the Township of Clearview.
4.        The Town of Stayner as of December 31, 1992, preceding the formation of the Township of Clearview, including the customers located at the following physical addresses:
  - 206 Industrial Road, Township of Clearview (formerly Town of Stayner)
  - 212 Industrial Road, Township of Clearview (formerly Town of Stayner)
  - 310 Warrington Road, Township of Clearview (formerly Town of Stayner)

excluding the customer at the following physical address:

  - 216 Mowat Street, Township of Clearview (formerly Town of Stayner)