

**PALIARE  
ROLAND**

BARRISTERS

Chris G. Paliare  
Ian J. Roland  
Ken Rosenberg  
Linda R. Rothstein  
Richard P. Stephenson  
Nick Coleman  
Donald K. Eady  
Gordon D. Capern  
Lily I. Harmer  
Andrew Lokan  
John Monger  
Odette Soriano  
Andrew C. Lewis  
Megan E. Shortreed  
Massimo Starnino  
Karen Jones  
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Nini Jones  
Jeffrey Larry  
Kristian Borg-Olivier  
Emily Lawrence  
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Jean-Claude Killey  
Jodi Martin  
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Ren Bucholz  
Jessica Latimer  
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Alysha Shore  
Denise Cooney  
Paul J. Davis  
Danielle Glatt  
Lauren Pearce  
Elizabeth Rathbone  
Daniel Rosenbluth  
Glynnis Hawe  
Hailey Bruckner  
Charlotté Calon  
Catherine Fan  
Douglas Montgomery  
Shawna Leclair  
Jesse Wright

COUNSEL

Stephen Goudge, Q.C.

HONORARY COUNSEL

Ian G. Scott, Q.C., O.C.  
(1934 -2006)

Richard P. Stephenson

T 416.646.4325 Asst 416.646.7419

F 416.646.4301

E richard.stephenson@paliareroland.com

[www.paliareroland.com](http://www.paliareroland.com)

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**VIA RESS FILING and EMAIL: registrar@oeb.ca**

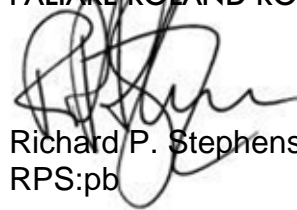
Christine E. Long,  
Registrar  
Ontario Energy Board  
2300 Yonge Street  
27<sup>th</sup> Floor  
P.O. Box 2319  
Toronto, ON M4P 1E4

Dear Ms. Long,

**Re: Hydro One Networks Inc. - Application for leave to construct electricity transmission line and associated facilities in the City of Toronto (EB-2020-0188)**

Attached please find the Submissions of the Power Workers' Union in connection with the above-noted proceedings. An electronic copy has been filed through the Board's RESS filing system.

Yours very truly,  
PALIARE ROLAND ROSENBERG ROTHSTEIN LLP



Richard P. Stephenson  
RPS:pb

Attach.

Doc 3647499 v1

**Application by Hydro One Networks Inc. for an Order or Orders Granting Leave to Upgrade Existing Transmission Cable Facilities (“Power Downtown Toronto Project” or “PDT Project”) in the Municipality of Toronto.**

**Submissions of the Power Workers’ Union (PWU)**

**A. INTRODUCTION**

1. Hydro One applied to the Ontario Energy Board (the “Board”) pursuant to s. 92 of the Ontario Energy Board Act, 1998 (the “Act”) for an Order or Orders granting leave to upgrade five circuit kilometres of transmission cable facilities in the downtown Toronto area. These facilities are required to ensure that the area continues to receive a safe and reliable supply of electricity.
2. The proposed PDT Project will decommission and upgrade the existing 115 kilovolt (kV) underground transmission cables (circuits C5E and C7E) between Terauley Transformer Station (TS), near Bay Street and Dundas Street, and Esplanade TS, near Lower Sherbourne Street and The Esplanade, with 230 kV crosslinked polyethylene (“XLPE”) cables.
3. The total cost of the transmission line facilities for which Hydro One is seeking approval is approximately \$107.2 million.
4. The proposed in-service date for the PDT Project is December 2024, assuming a construction commencement date of May 2021 and leave to construct approval prior to March 2021.

## B. COMMENTS OF THE PWU

5. The PWU submits that the Board should approve the Application for the following reasons:

### **The PDT is Non-Discretionary**

6. Hydro One appropriately applied the Board's filing guidelines to classify the PDT as a sustainment project needed to address end-of-life assets<sup>1</sup> and categorize the PDT as a non-discretionary project which is being undertaken to address end-of-life assets where replacement is the only feasible alternative.<sup>2</sup> Hydro One explained that as the Project is being pursued to replace end-of-life facilities per laboratory testing, it would typically not require leave to construct approval but for the need to spend approximately \$500k more than what would otherwise be incurred under a pure sustainment project solution to install 230kV XLPE cables for reliability purposes.<sup>3</sup>

7. Hydro One considered various replacement alternatives and options as part of the determination of the proposed PDT as non-discretionary:<sup>4</sup>

a) Alternative 1:

**Reactive Replacement of Underground Cables (the “do nothing” alternative):** which means Hydro One would continue to operate and maintain the existing C5E and C7E cables and replace them upon failure. Hydro One rejected this alternative as failure of these cables would result in prolonged circuit outages, potential customer interruptions, loss of redundant supply negatively affecting operational flexibility, and potential oil leaks requiring environmental remediation; and, in all likelihood, emergency restoration will be more expensive than a proactive planned replacement of the deteriorating cables.

b) Alternative 2:

**Planned Replacement with 230 kV XLPE Underground Cables (the “preferred” alternative):** which involves planned replacement of 7.2 circuit km of deteriorated end-of-life 115 kV low-pressure oil-filled underground transmission cable with 230 kV rated oil-

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<sup>1</sup> EB-2020-0188, EXHIBIT B, TAB 4, SCHEDULE 1, page 1

<sup>2</sup> Ibid., page 2

<sup>3</sup> EB-2020-0188, EXHIBIT B, TAB 1, SCHEDULE 1, page 2

<sup>4</sup> EB-2020-0188, EXHIBIT B, TAB 5, SCHEDULE 1, pp 1-3

free XLPE cable between Esplanade TS and Terauley TS. Due to their deteriorated condition and the increased risk of cable failure and oil leaks, planned replacement will mitigate risks to reliability and the environment.

c) Alternative 3:

**Planned Replacement with 115 kV Oil-Filled Underground Cables or 115 kV XPLE Cables** (Not preferred alternative): This option, while similar to Alternative 2, in terms of addressing the reliability risks associated with operating end-of-life cables, the use of 115 kV cables (instead of 230kV) would not address risks related to temporary over-voltages under fault conditions or, if oil-filled cables were used, the environmental and obsolescence risks linked to the use of oil-filled cables.

8. The PWU also notes that in BS Interrogatory #2<sup>5</sup> Hydro One was asked why it did not consider non-transmission alternatives to replacing C5E/C7E, such as non-wires alternatives or distribution system alternatives. In its response, Hydro One explained:

14 **Response:**

15 a) As identified in Exhibit I, Tab 1, Schedule 1, the C5E/C7E cable replacement project  
16 was studied as part of the Toronto Regional Infrastructure Plan<sup>1</sup>. There are no non-  
17 wires or distribution system alternatives to replacing the cable. The Regional Plan  
18 recommends replacement of the cables versus the only identified alternative of  
19 maintaining the status quo.

9. To conclude, the PWU agrees with Hydro One that Alternative 2 provides a long-term cost-effective solution that improves reliability, mitigates customer and general public interruptions, and addresses potentially imminent environmental risks.

### **The Monthly Bill Impact on Customers is Immaterial**

10. The evidence shows that, based on the current approved uniform transmission rates, the bill impact of the PDT on a typical residential customer (Residential R1 in a high-density zone at 720 kWh per month with winter commodity prices.) would be an increase of \$0.05 per month or 0.03%.<sup>6</sup> The evidence also shows that the difference in

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<sup>5</sup> Exhibit I, Tab 1, Schedule 2, Page 1 of 1

<sup>6</sup> Exhibit I, Tab 1, Schedule 17, Page 1 of 1

monthly bill impacts is immaterial whether a pure sustainment solution is pursued, or the larger cable is installed as proposed.<sup>7</sup>

### **SIA Confirms No Material Adverse Impact on Reliability**

11. The IESO has provided an expedited and final System Impact Assessment (“SIA”) Report<sup>8</sup>, which concluded that the Project is expected to have no material adverse impact on the reliability of the integrated power system. The IESO has also provided a Notification of Conditional Approval for Connection. be issued.<sup>9</sup>

### **CIA Confirms No Impact on Customer**

12. Hydro One has filed evidence that shows it has completed a draft Customer Impact Assessment (“CIA”) report<sup>10</sup> in accordance with Hydro One’s connection procedures, the results of which confirm that there are no directly connected customers that are adversely affected by this Project.

### **No Requirement for New Permanent Property Rights**

13. Hydro One’s evidence shows that the Project will relocate the cables in a tunnel below ground along a new route that will not require any new permanent property rights. The proposed Route is to be sited on and rely on the following land and occupation rights:<sup>11</sup>

- Hydro One-owned property (no land rights required);
- Toronto Hydro-Electric System Limited-owned property (no land rights required);
- Municipal road allowance, occupation rights under Section 41 of the *Electricity Act, 1998* (no land rights required).

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<sup>7</sup> EXHIBIT B, TAB 1, SCHEDULE 1, page 3

<sup>8</sup> Exhibit F, Tab 1, Schedule 1, Attachment 2

<sup>9</sup> Exhibit F, Tab 1, Schedule 1, Attachment 1

<sup>10</sup> Exhibit G, Tab 1, Schedule 1, Attachment 1

<sup>11</sup> EXHIBIT E, TAB 1, SCHEDULE 1, pp1-2

14. Hydro One's evidence also shows that temporary rights for the underground tunnel construction may be required at specific locations along the Route. However, the Project is not expected to require extensive construction temporary rights for the Route given that the construction of the underground tunnel will be subsurface.<sup>12</sup> The PWU notes the City of Toronto's concern over the Project's plan to use 75 Elizabeth Street as its storage/staging area during construction because, according to the City, the property has been identified for future redevelopment, anticipated to occur commencing in late 2023.<sup>13</sup> Hydro One, in its interrogatory response to the City's question, not only has explained why the indicated property is the only option for storage/staging area during construction, but also that Hydro One is willing to work with the City to promote the progress of both projects.<sup>14</sup> The PWU, therefore, does not anticipate any issue to arise as far as land matters are concerned.

**All of which is submitted respectfully.**

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<sup>12</sup> Ibid., page 2

<sup>13</sup> Exhibit I, Tab 3, Schedule 3

<sup>14</sup> Ibid.