

Hydro One Networks Inc.

7th Floor, South Tower
483 Bay Street
Toronto, Ontario M5G 2P5
www.HydroOne.com

Tel: (416) 345-5393
Cell: (416) 902-4326
Fax: (416) 345-6833
Joanne.Richardson@HydroOne.com



Joanne Richardson

Director – Major Projects and Partnerships
Regulatory Affairs

BY EMAIL AND RESS

February 19, 2021

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

Dear Ms. Long:

**EB-2020-0188 – Hydro One Networks Inc. Leave to Construct Application - Power
Downtown Toronto LTC – Reply Submission**

As directed in the Ontario Energy Board's ("OEB") Procedural Order No. 3 issued February 19, 2021, Hydro One Networks Inc. ("Hydro One") is filing the enclosed reply submission.

An electronic copy of this submission has been filed through the Ontario Energy Board's Regulatory Electronic Submission System.

Sincerely,

A handwritten signature in dark ink, appearing to read "Joanne Richardson", written in a cursive style.

Joanne Richardson

Introduction

1. In light of the submissions of Ontario Energy Board Staff (“OEB Staff”), Building Owners and Managers Association of Toronto (“BOMA”), Power Workers Union (“PWU”) and the City of Toronto (“the City”) pursuant to Procedural Order 3 in this proceeding, Hydro One Networks Inc. (“Hydro One”) is providing this Reply Argument.

2. Hydro One’s Power Downtown Project (“PDT Project” or the “Project”) is in the public interest. Subject to certain conditions outlined in section 2.5 of their submissions, OEB Staff are supportive of Hydro One’s leave to construct application (“the Application”). The PWU and BOMA are also supportive of the Application as applied.

3. The City submissions requested that either Hydro One commit to providing to the City reports with necessary drawings and specifications that demonstrate that the Terauley TS property boundaries are insufficient for the construction requirements for the exit shaft at Terauley TS and that that there are no other reasonably adjacent properties that could be used for a temporary staging area; or, alternatively, that the provision of such information be made a condition of the leave to construct.

Submissions

4. Given that the majority of intervenors support the Application as filed, albeit OEB Staff’s support is with standard leave to construct conditions to which Hydro One has no concern, the lion’s share of this Reply Argument will focus on addressing the submissions of the City regarding temporary property rights that are required

1 at 75 Elizabeth Street. In so doing, Hydro One will provide the OEB an update on
2 the meeting that was held on February 16, 2021 (“the Meeting”).

3

4 5. In their February 4, 2021 submissions, the City opines that Hydro One did not
5 address the availability of properties other than 75 Elizabeth Street and Larry
6 Sefton Park that are reasonably adjacent to Terauley TS nor has (Hydro One)
7 explained why the Terauley TS property boundaries are insufficient for a staging
8 area¹. As a result and as aforementioned, the City proceeded to request in their
9 submission that they be furnished with reports to understand this further or that
10 the information be made a condition of the leave to construct.

11

12 6. In short, Hydro One has no concerns with the condition requested by the City. In
13 accepting the condition, Hydro One believes that the technical details the City
14 sought have now been provided through a presentation provided to the City at
15 the Meeting. The Hydro One presentation from the Meeting is attached to these
16 submissions for ease of reference.

17

18 7. In summary, the presentation outlines the limitations of the Terauley TS property
19 boundaries, the need for access to the property adjacent to Terauley TS, and why
20 some other properties were deemed unsuitable to complete the Project.

21

22 8. The tunnel alignment is set by limitations in construction methodology,
23 specifically the tunnel boring machine turning radius. The only viable location
24 within the Terauley TS property to locate the exit shaft is the southwest corner of
25 the site. Due to the size and location of the shaft, there is insufficient space to
26 construct the shaft within the existing station boundary.

¹ City of Toronto Submissions – February 4, 2021 –Page 3

9. As further described to the City at the Meeting, the adjacent property at 75 Elizabeth Street is required for two reasons: (1) to provide sufficient space to utilize a drill rig to construct the temporary shoring around the shaft; and (2) to provide sufficient space for a crane (and swing radius within the site) to facilitate the excavation and concrete forming activities expected to build the shaft. 75 Elizabeth Street is the only site that can accommodate this work.

10. Other properties were considered to complete the Project, including Larry Sefton Park, south of the Terauley TS site, as well as other sites that are not directly adjacent to Terauley TS. Specific to Larry Sefton Park, it does not provide sufficient space around the shaft location to facilitate shoring construction. Using this space for crane access would require use of Hagerman Street for loading trucks and would require the swing radius of the crane to extend beyond the property, which is an intolerable safety concern given the alternative at 75 Elizabeth Street. Additionally, the use of the park space would require the removal of approximately 17 trees. For these reasons, this alternative site was not pursued.

11. Sites not adjacent to Terauley TS were also considered, but these sites were not considered to be prudent given that they do not satisfy the criteria described in Paragraph 9 above. Real estate options not adjacent to Terauley TS would require permanent easements and/or expropriation of land to provide an alternative location for the permanent tunnel shaft outside of the Terauley TS property and the cable routing back to the station. For all these reasons, properties not adjacent to Terauley TS were dismissed and not explored further.

12. All this information was shared with the City at the Meeting, and Hydro One believes that both parties will work together. Hydro One does not anticipate any issues to arise as far as land matters are concerned. In addition to the conditions proposed by OEB Staff in section 2.5 of their submissions, Hydro One therefore

1 willingly accepts the condition suggested by the City. Hydro One believes that this
2 condition has been satisfied vis a vis the presentation provided at the Meeting and
3 that is attached to this Reply Argument. Hydro One will continue to engage with
4 the City should additional information be required to reach an agreement.

5
6 **Conclusions**

7
8 13. Hydro One submits that the non-discretionary sustainment work addressed by the
9 PDT Project is in the interests of consumers with respect to price, reliability and
10 quality of electricity service. Obtaining leave to construct the PDT Project ensures
11 that the downtown Toronto area continues to receive a safe and reliable supply
12 of electricity. The Project addresses the replacement of end-of-life cables that
13 were identified in the 2020 Metro Toronto Regional Infrastructure Plan² and will
14 increase supply reliability for customers by installing 230 kV rated cables following
15 the preferred route and installation method identified in the Class Environmental
16 Assessment (EA) for Minor Transmission Facilities, which commenced
17 approximately two years ago and was completed in April 2020.

18
19 14. The Independent Electricity System Operator's Final Expedited System Impact
20 Assessment (SIA) concluded that the PDT Project is expected to have no material
21 adverse impact on the reliability of the integrated power system. Additionally, the
22 final Hydro One Customer Impact Assessment concluded that the Project will
23 increase supply reliability for connected customers as it reduces the chance of
24 cable failure.

25
26 15. As described in evidence and through interrogatory responses to OEB Staff, the
27 installation of 230kV rated cables is the most cost-effective solution to address

² Exhibit I, Tab 1, Schedule 1

1 temporary overvoltages. Given the \$500k difference in capital costs, as described
2 in evidence, the difference in monthly bill impacts is immaterial whether a pure
3 sustainment solution is pursued, i.e., the existing 115 kV rated cable being
4 replaced with a 115 kV rated cable, or whether the larger 230 kV cable proposed
5 in this Application is installed. Thus, given the reliability benefits and immaterial
6 customer bill impact, Hydro One proposes that with respect to price, reliability
7 and quality of electricity service, the PDT Project is most definitely in the public
8 interest and should be approved as filed with the addition of the conditions
9 proposed by OEB Staff and the City.

10

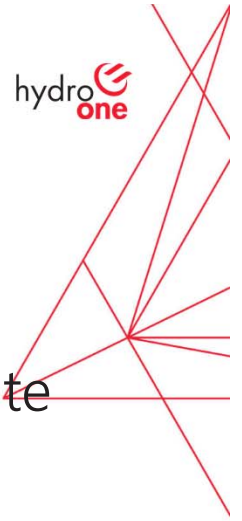
11 All of which is respectfully submitted.



POWER DOWNTOWN TORONTO

Hydro One

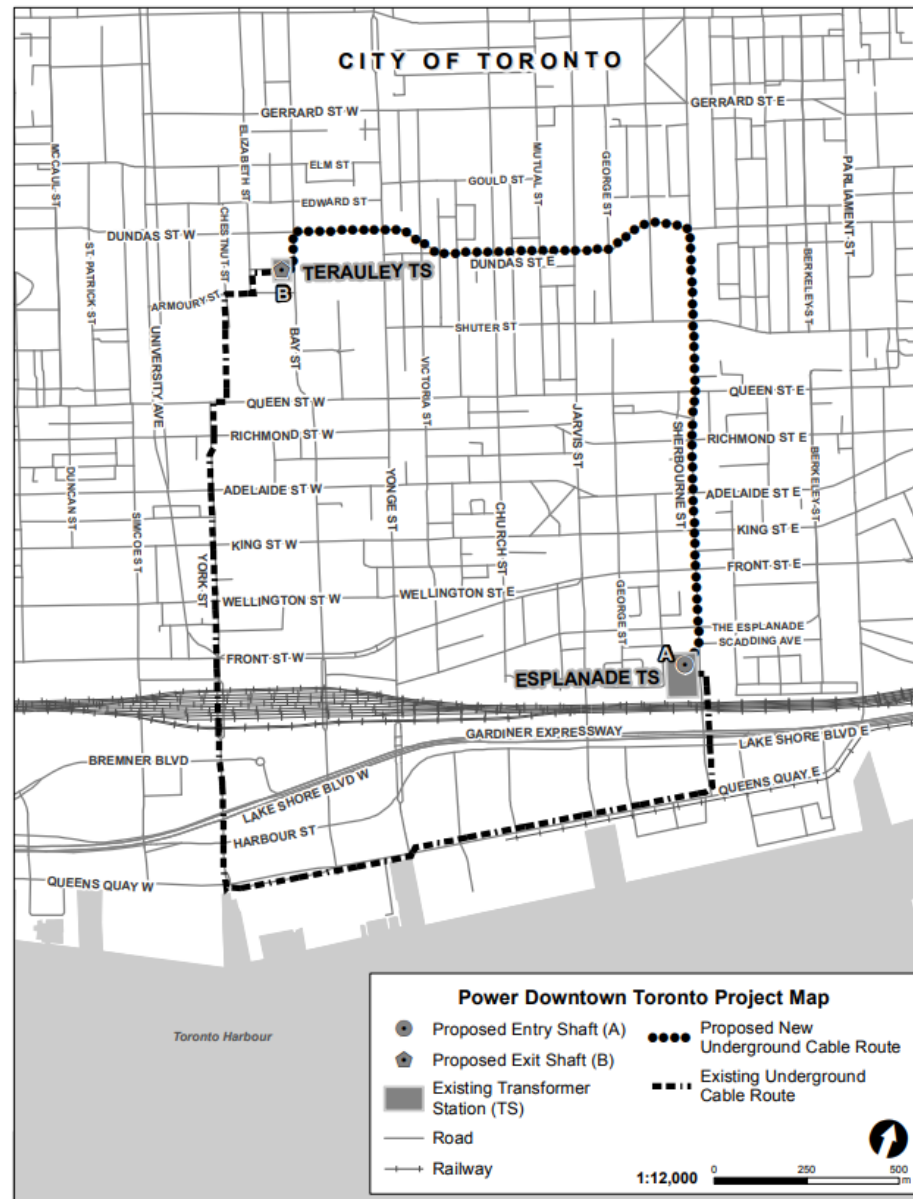


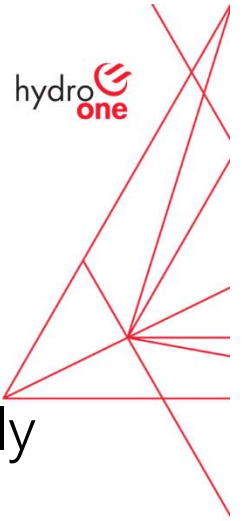


PROJECT DETAILS

- Hydro One is the bulk distributor of electricity in the Province of Ontario and supplies Toronto Hydro with power to distribute across the City of Toronto.
- Hydro One must replace critical underground transmission cables that serve Toronto's downtown core and Toronto Hydro customers. These cables were installed in the 1950s and are approaching their end of life.
- This replacement will help continue to provide power to residents and the city's most crucial institutions, including hospitals, TTC, major banks, businesses and universities.
- Our project team completed a Class Environmental Assessment and consulted with the City of Toronto, elected officials, and community groups to collect feedback and input.

EXISTING CABLES AND TUNNEL ROUTE



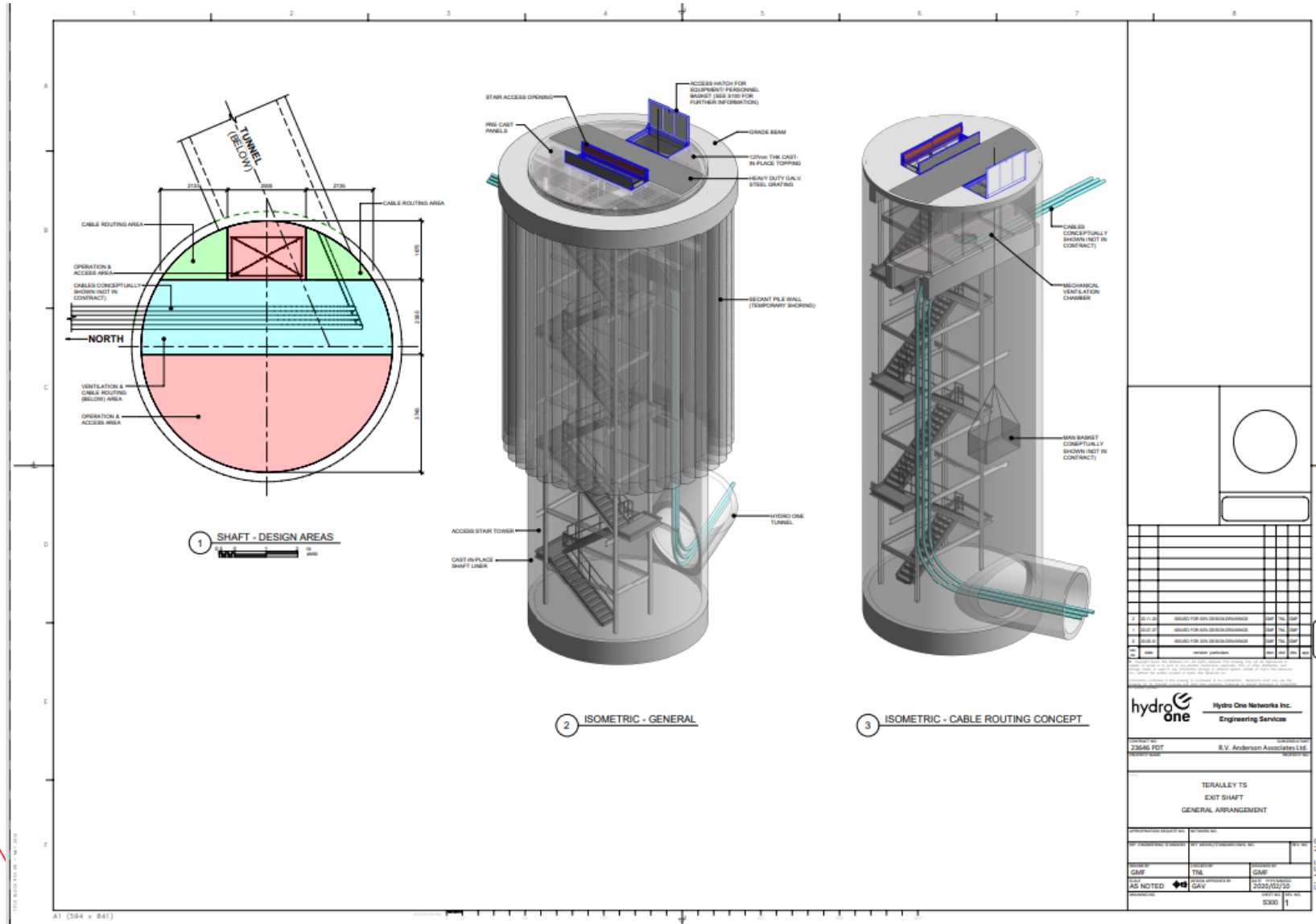


THE NEED FOR ACCESS TO THE PROPERTY BESIDE TERAULEY TS

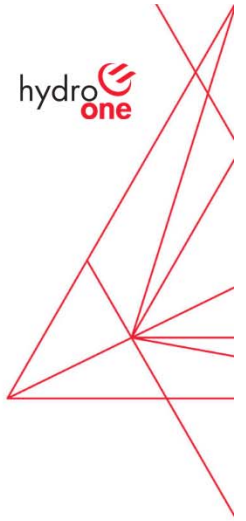
- The tunnel alignment is set by limitations in construction methodology (tunnel boring machine turning radius). The only viable location within the Terauley property to locate the exit shaft is the south west corner of the site.
- Due to the size and location of the shaft, there is insufficient space to construct the shaft within the existing station boundary.
- The adjacent property that is being pursued for a construction easement is required for two reasons:
 - To provide sufficient space to utilize a drill rig to construct the temporary shoring around the shaft
 - To provide sufficient space for a crane (and swing radius within the site) to facilitate the excavation and concrete forming activities expected to build the shaft

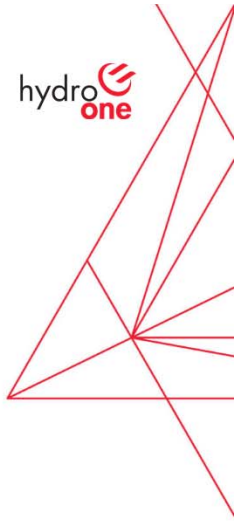


TERAULEY TS EXIT SHAFT

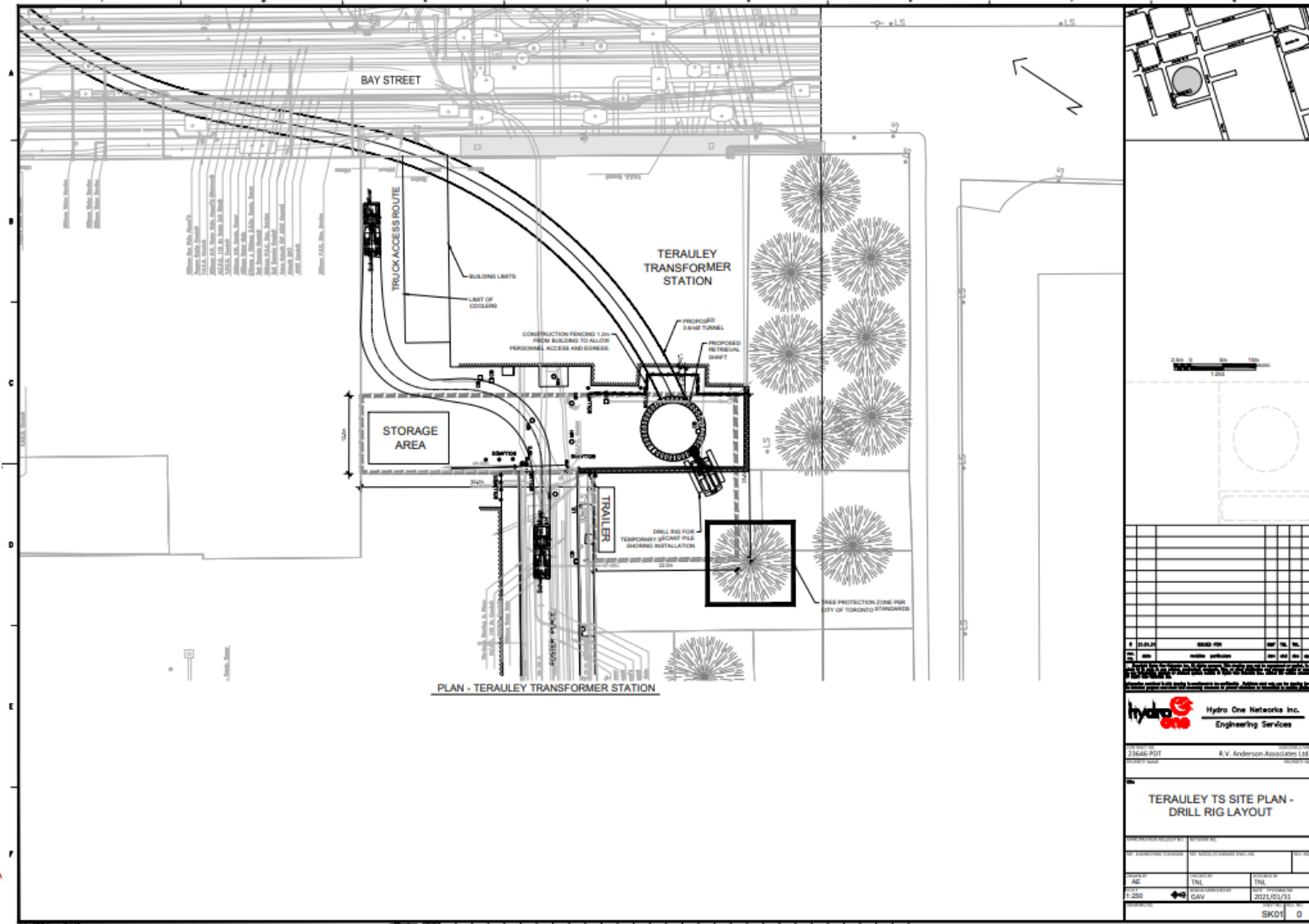


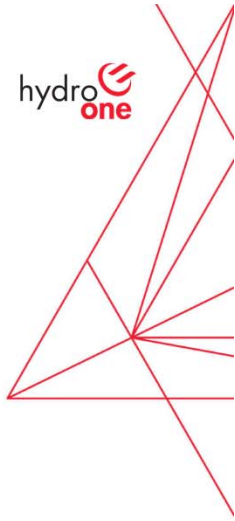
TERAULEY TS



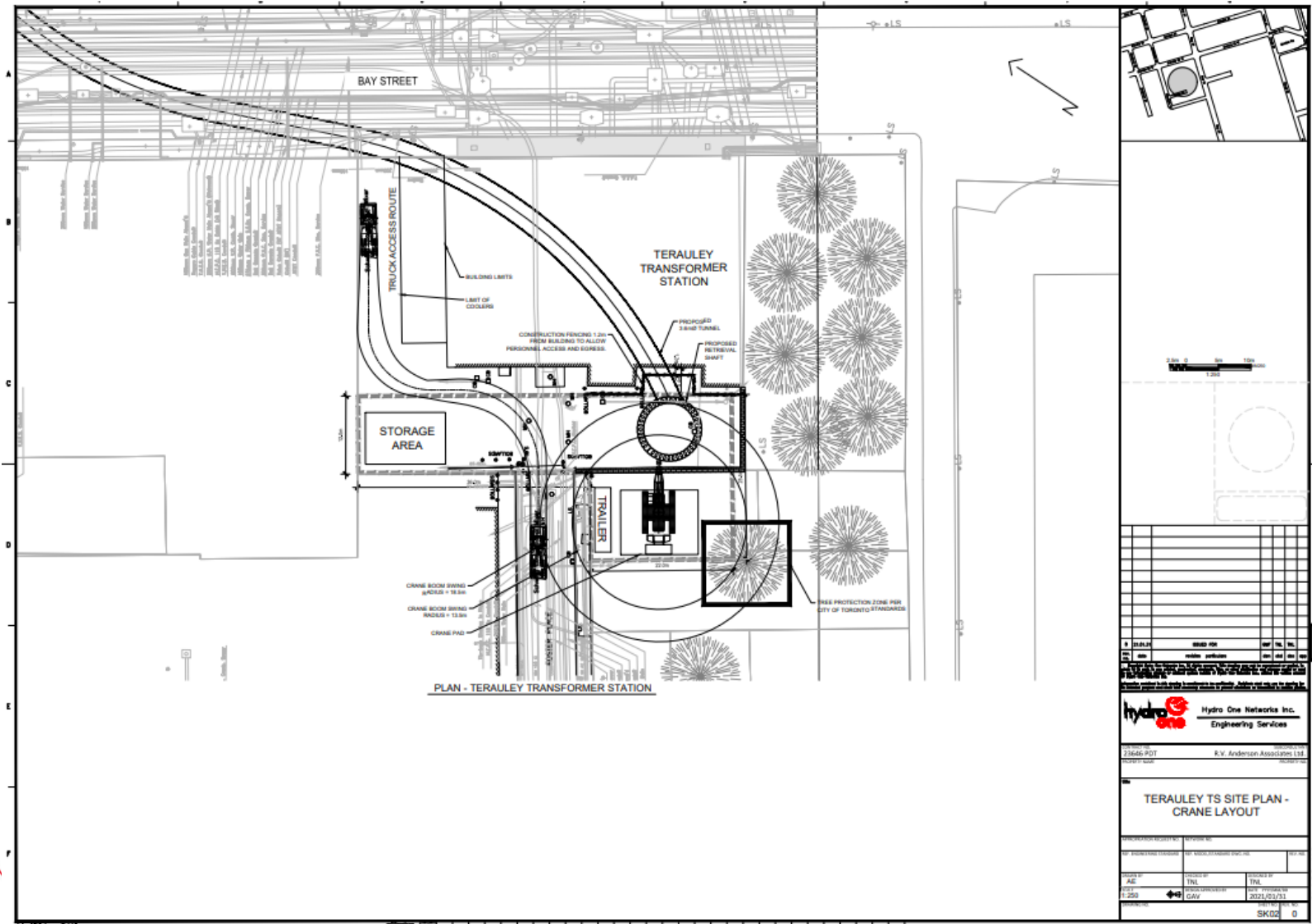


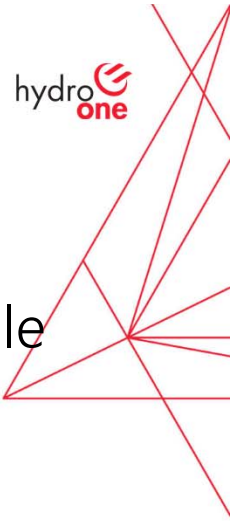
TERAULEY TS EXIT SHAFT CONSTRUCTION





TERAULEY TS EXIT SHAFT CONSTRUCTION





ALTERNATIVE PROPERTIES REVIEWED

The following properties were considered but deemed unsuitable due to the following:

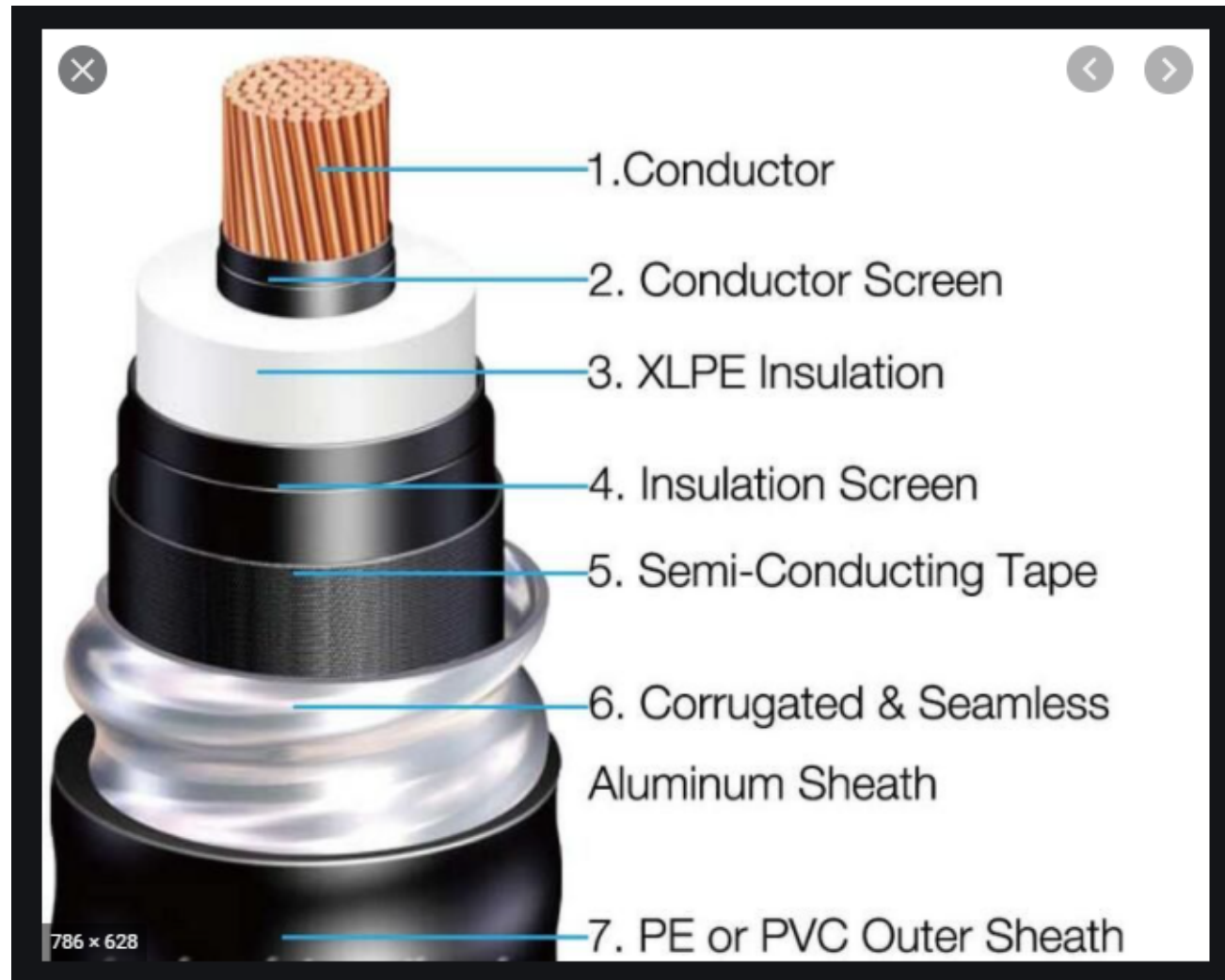
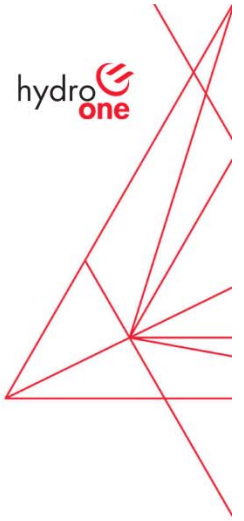
Larry Sefton Park, south of site:

- This space does not provide sufficient space around the shaft location to facilitate shoring construction.
- Using this space for the crane access would require use of Haggerman Street for loading trucks, and would require the swing radius of the crane to extend beyond the property (this is a safety concern)
- The use of this space would require the removal of approximately 17 trees.

Other sites not adjacent to Terauley property:

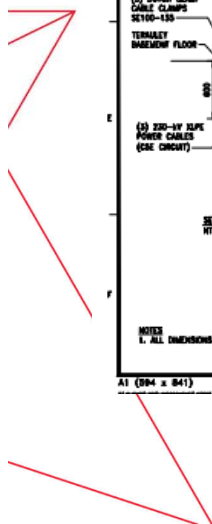
- These sites were not considered as they do not achieve the two requirements required to construct the shaft within the Terauley property.
- Other sites would require permanent easements and/or expropriation of land to provide an alternative location for the permanent tunnel shaft outside of the Terauley property, and the cable routing back to the station.

XLPE CABLE





BMP-705-90



A series of thin red lines crisscrossing the upper left portion of the slide, creating a web-like pattern.

HYDRO ONE'S TIMELINE

Activity	Anticipated timing
Class Environmental Assessment process	February 2018 to June 2020 (completed)
Construction start – Esplanade TS	Q4 2021
Land use license required for 75 Elizabeth Street	Q1 2022 - Q2 2025

An abstract graphic consisting of several thin red lines of varying lengths and orientations, some intersecting to form a network of small triangles and polygons, located in the top left corner of the slide.

Questions

Preliminary and Confidential
For Discussion Purpose Only