**Hydro One Networks Inc.** 7<sup>th</sup> 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

September 22, 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:

Service Area Amendment Application for Hydro One Networks Inc. to Connect a Residential Subdivision Located Partly Within The Former Village Boundaries of Embrun.

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 Cooperative Hydro Embrun Inc. ("Hydro Embrun") (ED-2002-0493). The Application is being made specifically for the purpose of connecting a residential subdivision ("Subdivision) located partly within the former village boundaries of Embrun.

Should you have any questions on this application, please contact Pasquale Catalano at (416) 345-5405 or via email at <a href="mailto:Pasquale.Catalano@HydroOne.com">Pasquale.Catalano@HydroOne.com</a>.

Sincerely,

Joanne Richardson

# **Service Area Amendment Application**

Hydro One Networks Inc.
And
Cooperative Hydro Embrun Inc.

### 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 Cooperative Hydro Embrun Inc. ("Hydro Embrun") (ED-2002-0493). The Application is being made specifically for the purpose of connecting a residential subdivision ("Subdivision) located partly within the former village boundaries of Embrun.

The Subdivision is located within the Township of Russell, partly in Hydro Embrun territory, and partly in Hydro One territory. The customer originally approached both utilities for a connection. Hydro One is able to connect the entire development as lies along, whereas Hydro Embrun would require an expensive line extension through a creek to access part of the development. The customer, therefore, requested that Hydro One service the development.

For the reasons set out in this Application, Hydro One respectfully submits that it is in the public interest to amend the licenses of both distributors to include these development lands in Hydro One's service territory. As outlined in the letter of support attached to this Application, Hydro Embrun outlines its support and consents that this Application be disposed of without a hearing. The letter of support is provided as Attachment 2. Similarly, this Application is supported by the Customer<sup>1</sup>, as outlined in Attachment 3.

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 the Application satisfies these requirements.

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<sup>&</sup>lt;sup>1</sup> The Customer is documented in Section 7.1.1 (c)

#### 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

Contact Person:

Pasquale Catalano, Advisor, Regulatory Affairs

Phone: (416) 345-5405

Email: 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:

Cooperative Hydro Embrun Inc. 821 Notre-Dame Street, Suite 200 Embrun,ON K0A 1W1

Contact Person:

Name: Benoit Lamarche Title: General Manager Telephone: (613) 443-5110

Fax: (613) 443-0495

Email address: benoit@hydroembrun.ca

### 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

# The Registered Owner/Developer or Customer(s):

1437137 Ontario Inc. Andre Clement Secretary

136 Clement St., Vars, ON, K0A 3H0

Telephone: 613-880-2566

Email address: aclementelectric@hotmail.com

1437137 Ontario Inc.
Robert Bourdeau
President
136 Clement St., Vars, ON, K0A 3H0
Email address: robert@robertx.ca

# 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 is the most economically efficient option for servicing the Customer. Moreover, the Customer and the incumbent distributor have documented their support to have Hydro One service the subject area.

The Subdivision's connection lies along Hydro One's existing infrastructure. Meanwhile, Hydro Embrun would be required to have their assets cross a creek in order to access the development. It is not economically efficient for Hydro Embrun to extend their line when Hydro One has lies along assets that can supply the Subdivision.

#### 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 legal description of the land subject to this amendment is Part of Lot 9, Concession 8, Russell, ON. The proposed development will consist of a residential subdivision. Please see Attachment 1 for a map showing the subject area.

There are no changes required to Hydro One's licence.

Upon approval of the Application, Hydro Embrun's licence should be updated to read as follows:

3. Except Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 18, 19, 20, 21, 22, 23 and 24 of Part Plan 40R-4216, fronting Rue Cologne St.

#### 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 residential subdivision consisting of 17 townhouse blocks, 24 detached and 28 semi-detached units. The Subdivision will be fed from the existing development to the east that Hydro One is currently feeding off of the Embrun DS F3.

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 existing lies along assets with sufficient capacity to service the new Subdivision, whereas Hydro Embrun would be required to bring their assets across a creek. Hydro One and Hydro Embrun agree that having Hydro One service the Subdivision is the most economically efficient solution. Hydro Embrun's letter of consent to the Application is provided as Attachment 2.

#### 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 Subdivision using the assets feeding the subdivision directly to the east, fed by Hydro One's Embrun DS F3 feeder.

### 7.2.1 (b)

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

The proposed new connection is directly east of an existing subdivision that Hydro One is feeding.

#### 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, Hydro Embrun 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

Based on a joint assessment of the subject area and associated development plans, Hydro Embrun has provided consent to Hydro One servicing the subject area. As such, Hydro One respectfully submits that it is not necessary to provide the capital contribution amount required from the customer.

#### 7.2.1 (e)

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

There will not be any 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 subdivision 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 subdivision 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 development.

#### 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 IMFORMATION 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 WRITTEN CONSENT/JOINT AGREEMENT

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

T D' I I

Joanne Richardson

**Director – Major Projects and Partnerships** 

Hydro One Networks Inc.

Dated: September 22, 2021

# 7.8 REQUEST FOR NO HEARING

Does the applicant request that the application be determined by the Board without a hearing? If yes, please provide:

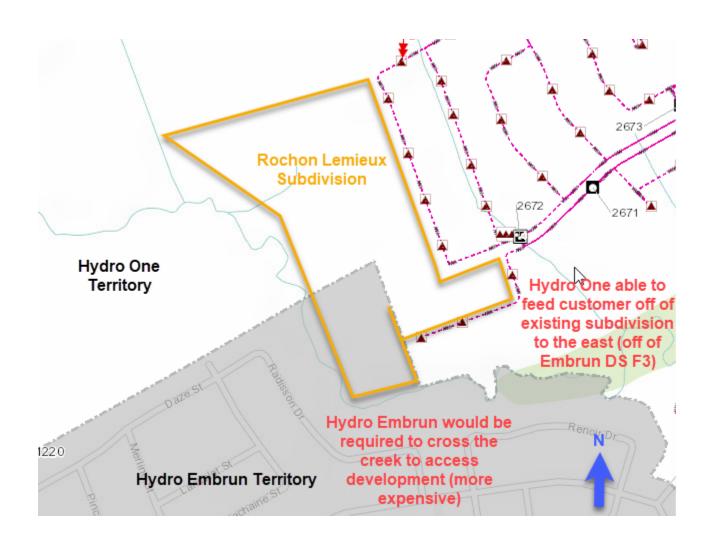
- (a) an explanation as to how no person, other than the applicant and the proposed recipient, will be adversely affected in a material way by the outcome of the proceeding AND
- (b) the proposed recipient's written consent to the disposal of the application without a hearing.

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: September 22, 2021

# **ATTACHMENT 1**

# **SERVICE TERRITORY MAP**



# **ATTACHMENT 2**

# **HYDRO EMBRUN CONSENT LETTER**



September 20, 2021

Jayde Suleman
Account Executive, Key Account Management-Eastern Region
Hydro One Network Inc.
2275 Fairport Rd.
Cherrywood TS Building A
Pickering ON

Dear Mrs. Suleman,

#### Hydro One Network Inc. Application for a Service Area Amendment

This is to confirm that Cooperative Hydro Embrun Inc. support your application to amend the Hydro One Network Inc. Distribution Licence as proposed in Hydro One Network Inc. service area amendment application. The intent of the application is to amend Hydro One Network distribution licence to include:

Lot 1-2-3-4-5-6-7-8-9-10-11-12-18-19-20-21-22-23-24 of Part Plan 40R-4216, fronting Cologne Street, (Appendix 1) of the legal description of the land subject to this amendment is Part of Lot 9, Concession 8, Russell, ON. The proposed development will consist of a residential subdivision.

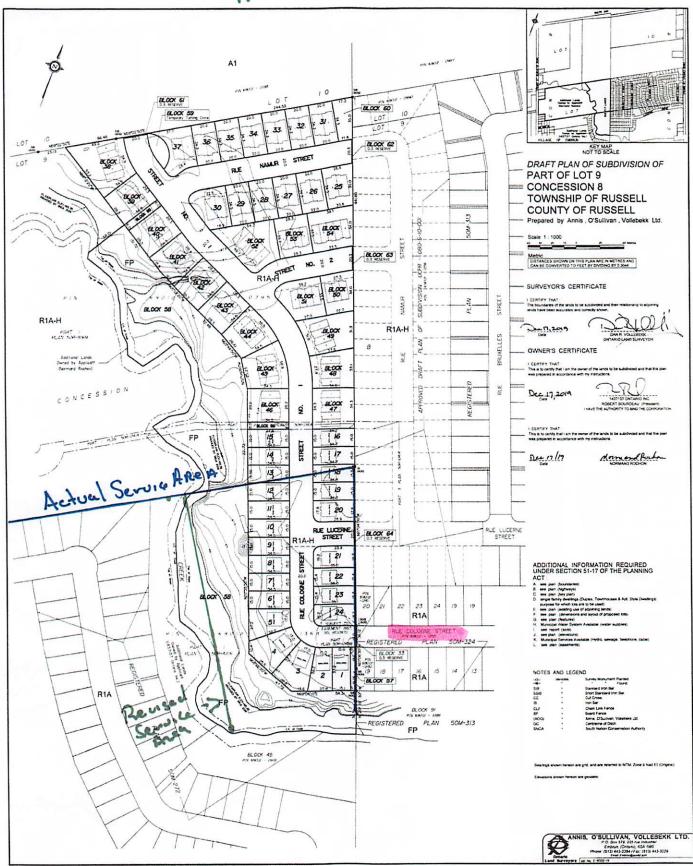
Cooperative Hydro Embrun Inc. support Hydro One Network Inc. request to proceed with this service area amendment without a hearing.

If you have any questions or concerns, please contact Benoit Lamarche at <u>benoit@hydroembrun.ca</u> or via telephone, at 613-443-5110.

Sincerely,

Benoit Lamarche General Manager

Cooperative Hydro Embrun Inc.



# **ATTACHMENT 3**

# **DEVELOPER CONSENT LETTER**

### 1437137 Ontario Inc P.O Box 1290, Embrun, ON KOA 1W0

September 9-2021

Hydro One Networks Inc 420 Welham Road Barrie On L4N 8Z2

**RE: Service Area Amendment** 

As previously discussed, 1437137 Ontario Inc. would like to confirm our preference that Hydro One be the local distribution company that supplies this development. We understand that Hydro One will need to make an application to the Ontario Energy Board to amend the service arena description to include this development within Hydro's Service Area.

The legal description of the development is:

PART OF LOT 9 CONCESSION 8 RUSSELL BEING PART 1 ON PLAN 50R4216 SAVE & EXCEPT PLAN 50M119, PLAN 50M240, PART 3 ON PLAN 50R8744, PARTS 1, 2 & 3 PLAN 50R8785, PARTS 3 & 4 ON PLAN 50R8866, PLAN 50M246, PLAN50M262, PARTS 1& 2 ON PLAN 50R9156 & PLAN 50M272, PARTS 1& 2 ON PLAN 50R10593; RUSSELL S/T EASEMENT IN GROSS OVER PART 1 PLAN 50R9341, AS IN RC32707; SUBJECT TO AN EASEMENT IN GROSS OVER PART 1 PL 50R10488 AS IN RC109711

Please consider this letter as our intent to have Hydro One as our service provider, and we support Hydro One's SAA application to the OEB and we request that the application be disposed of without a hearing

If you require anything related to this development, please contact the undersigned.

Robert Bourdeau President

André Clément Secretary 613-880-2566