



Ontario
Energy
Board | Commission
de l'énergie
de l'Ontario

DECISION AND ORDER

EB-2021-0088

PUC (TRANSMISSION) LP, BY ITS GENERAL PARTNER PUC (TRANSMISSION) GP INC.

Application for an Electricity Transmission Licence

BY DELEGATION, BEFORE: Brian Hewson
Vice President
Consumer Protection & Industry Performance

October 21, 2021

INTRODUCTION AND SUMMARY

PUC (Transmission) LP (PUC Transmission) has applied to the Ontario Energy Board (OEB) for an electricity transmission licence. PUC Transmission, through its general partner PUC (Transmission) GP Inc., intends to develop, own and operate transmission facilities in the City of Sault Ste. Marie, Ontario.

This Decision and Order is being issued by the Delegated Authority without a hearing, pursuant to section 6(4) of the *Ontario Energy Board Act, 1998* (OEB Act).

PUC Transmission's application for an electricity transmission licence is approved. The scope of the OEB's review in this proceeding is limited to the question of whether PUC Transmission meets the relevant criteria for being licensed as an electricity transmitter, and the OEB's approval of this application should not be construed as providing a view on other regulatory requirements that PUC Transmission may need to comply with in the future.

APPLICATION

PUC Transmission filed an application on March 18, 2021, under section 60 of the OEB Act. On June 25, 2021, PUC Transmission provided supplemental information in response to OEB staff's questions on the application.

The application is for an electricity transmission licence only. PUC Transmission does not currently own or operate transmission assets in Ontario. PUC Transmission is planning to construct, own and operate a new transmission line in the City of Sault Ste. Marie, and to have the line operational by the third quarter of 2024 (the Project).

PUC Transmission explained that, based on the best information that it has at this time, the Project will consist of approximately 10 km of double circuit 230 kV transmission line which will begin at an existing Hydro One Networks Inc. transformer station and will end at new 230 kV transformer station to be constructed, owned and operated by PUC Transmission. PUC Transmission states that the Project is needed to meet demand in the City of Sault Ste. Marie, due to that a significant increase in industrial loads within the city that was identified in 2019. PUC Transmission also states that it has discussed its plans with the Independent Electricity System Operator, and that it has notified Hydro One Networks Inc.

PUC Transmission acknowledges that it will require leave from the OEB to construct the

Project, and plans to file an application for that authorization in the near future.

PUC Transmission submits that, together with its affiliates, it possesses significant experience in asset management, operations and maintenance of transmission and distribution assets. PUC Transmission filed evidence to support that, through its affiliates, it has financial feasibility and security to plan, develop, construct, own, operate and maintain electricity transmission facilities in Ontario.

As it is the OEB's practice to retain in confidence the financial information provided by applicants in support of their licence applications, PUC Transmission's request for confidential treatment of its, and its affiliates', financial and personal information in support of the application is granted.

FINDINGS

The key areas reviewed by the OEB in a licence application are the financial position, technical capability and conduct of an applicant. Furthermore, the OEB's decision in proceeding EB-2009-0164 identified two threshold tests for transmission licence applications, namely:

1. Whether there is a specific project which underpins the application; and,
2. In the absence of a specific project, whether the applicant is engaged in transmission activity elsewhere and whether it has the necessary technical and financial expertise to undertake transmission activity in Ontario.

While it does not yet own or operate a transmission system in Ontario, PUC Transmission has filed detailed information pertaining to a specific project that underpins its application for a transmission licence. PUC Transmission has also provided sufficient information on its technical and financial expertise in order to qualify for such licence. PUC Transmission also provided a commitment to meet all applicable regulatory requirements once licensed.

The OEB finds that PUC Transmission has demonstrated that it meets the criteria for holding a transmission licence. However, the OEB is mindful that PUC Transmission does not currently own or operate a transmission system in the Province and that its proposed transmission facilities are not expected to be operational for at least another three years. For these reasons, the OEB is approving the application but will not issue the licence until PUC Transmission has received leave to construct the proposed transmission facilities from the OEB, at which time PUC Transmission will be able to file

with the OEB a complete description of the facilities to be included in schedule 1 of the licence.

PUC Transmission is further advised that this Decision should not be construed as providing any views or being determinative of any other regulatory approvals that PUC Transmission may need to obtain in the future in relation to the Project such as, for example, leave to construct from the OEB.

IT IS ORDERED THAT:

1. PUC (Transmission) LP's application for an electricity transmission licence is approved, and its licence shall be issued and take effect on the date on which it files a description of its approved transmission facilities to be included in schedule 1 of the licence with the OEB.

DATED at Toronto October 21, 2021

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson

Vice President, Consumer Protection & Industry Performance