

# Elson Advocacy

October 26, 2021

## BY RESS

### Ms. Christine Long

Board Secretary  
Ontario Energy Board  
2300 Yonge Street, Suite 2700, P.O. Box 2319  
Toronto, Ontario M4P 1E4

Dear Ms. Long,

**Re: EB-2021-0136 – Hydro One Networks Inc. – Richview to Trafalgar  
Reconductoring Project**

I am writing to provide submissions in the above proceeding. Environmental Defence supports the efforts of the Independent System Electricity Operator (IESO) and Hydro One to increase the transfer capability in the relevant pathway to meet transmission reliability and resource adequacy needs. In addition, the IESO states that this project will increase the geographic area in which new resources can be located, which will increase competition and result in ratepayer savings. Environmental Defence supports these positive goals.

Environmental Defence asked a number of interrogatories on whether Hydro One could increase the size of the proposed conductor to cost-effectively reduce transmission losses. After reviewing the responses, we agree that a case has not been made for further upsizing the conductor beyond the one proposed by Hydro One.

Environmental Defence has a number of concerns regarding Hydro One's line loss evaluation processes. However, Hydro One states that these processes are "currently before the OEB for approval" in EB-2021-0110. Environmental Defence agrees that the broader issues relating to line loss evaluation are more appropriately considered in that proceeding.

In the interim, Environmental Defence asks that Hydro One include significantly more detail in future applications on whether to upsize a conductor. This would include an estimate of the net benefits/costs that accounts for the savings from reduced line losses and increased capacity. Hydro One included no analysis of this in the current application. It simply said: "[t]he Hand-off Letter provided to Hydro One by the IESO, included in the Need Evidence per Exhibit B, Tab 3, Schedule 1, is very specific, and, as such, no other alternatives were considered."<sup>1</sup> However, Hydro One is responsible for determining the cost-effectiveness of upsizing the conductor.<sup>2</sup>

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<sup>1</sup> Exhibit B, Tab 5, Schedule 1.

<sup>2</sup> Exhibit I, Tab 3, Schedule 2, Page 2.

There was no justification for ignoring the upsized conductor option in this application. Although it turns out that the upsized conductor would not be cost-effective, this was not a forgone conclusion. For example, high-level screening based on peak flows and \$120/MWh would find \$1.7 million in annual benefits and would therefore require more detailed analysis.<sup>3</sup> In any event, the application included no details regarding upsizing whatsoever, including no description of any screening.

Future applications should directly address potential incremental transmission loss reductions and explain how the size of the conductor was chosen and why. As for the specific issues around Hydro One's recently created transmission losses processes, Environmental Defence proposes to address those issues in EB-2021-0110.

Yours truly,

A handwritten signature in blue ink, appearing to read 'K. Elson', written in a cursive style.

Kent Elson

cc: Parties in this proceeding

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<sup>3</sup> Exhibit I, Tab 3, Schedule 3, Page 5