Service Area Amendment Application Ottawa River Power Corporation License # ED – 2003-0033

August 3, 2022

Application to the Ontario Energy Board for Service Area Amendment for Ottawa River Power Corporation August 3, 2022

7.0 Introduction

Ottawa River Power Corporation (ORPC) is an LDC in the Province of Ontario (License ED-2003-0033) delivering power to 11,442 customers in Almonte, Beachburg, Killaloe and Pembroke.

This Service Area Amendment application to the Ontario Energy Board (the Board) is for a portion of lands in the Almonte Ward that was previously expanded by the Town of Mississippi Mills in 2006.

The distribution license ED-2003-0033 of ORPC describes the service area in this area as the "former Town of Almonte as of December 31, 1997." Municipal amalgamations in the area amalgamated the former Town of Almonte, Townships of Ramsay and Pakenham and the Village of Pakenham into the new Town of Mississippi Mills. The former town of Almonte became Almonte Ward within the newly expanded town.

Prior to 1998, with the exception of the Town of Almonte which was served by Almonte Hydro, the area was, for the most part, rural and served by Ontario Hydro, now Hydro One Networks Inc. (Hydro One).

Housing growth in Almonte prompted Council to expand the designated development area for Almonte and the redefining of Almonte Ward. The expanded area is shown in Attachment A.

In April of 2015, ORPC made application to the Board for a licence area amendment for part of the Almonte Ward expansion that was being developed by Orchard View Retirement Facility (Phase 1). That parcel was bounded by: Appleton Side Road to the northeast, Old Almonte Rd to the south, R Tait McKenzie Public School to the west, and rural farmland to the east. (Attachment A). The amendment was approved by the Board on May 7, 2015 (Board File EB-2015- 0153). This area is shown in Attachment A (highlighted in green color).

This application is for an area in another part of the expanded Almonte Ward that is being developed as a residential area (Mill Valley Living) by Houchaimi Holdings Inc. (owned by Mr. Billy Houchaimi). The area is shown in Attachment A and is highlighted in aqua color.

7.1 Basic Facts

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.

Applicant:

Ottawa River Power Corporation 283 Pembroke St. W Pembroke, ON K8A 6Y6

Contact: Justin Allen

President

Tel: 613-732-3687 Fax: 613-732-9838 jallen@orpowercorp.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.

Incumbent:

Hydro One Networks Inc. 483 Bay Street, 7th Floor, South Tower Toronto, ON M5G 2P5

Contact: Pasquale Catalano

Sr. Advisor, Regulatory Affairs

Tel: 416-345-5405 Fax: 416-345-5866

Email: regulatory@hydroone.com

7.1.1 (c)

Provide the contact information for 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.

Affected Landowner:

Billy Houchaimi Houchaimi Holdings Inc. 21 Hampel Crescent Stitsville, ON, K2S 1E4

7.1.1 (d & e)

Provide the contact information for any alternate distributor other than the applicant and the incumbent distributor, or any representative of the person listed above including, but not limited to, a legal representative 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.

There are no other distributors or representatives that are related to 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.

- 1. The primary consideration for the service area amendments is the economic efficiency measured in terms of capital costs to connect. ORPC, being adjacent to the subject property is able to facilitate connection at a lower cost than Hydro One.
- 2. Hydro One has agreed to consent to this SAA application (Attachment G)
- 3. Service by two hydro utilities in the same urban area is a source of confusion for customers.
- 4. ORPC is a community-based corporation with a local office and service crew in Almonte to serve the community.
- 5. The incorporation of the Subject Area into ORPC's Service Area will be seamless. The Subject Area is adjacent to and abuts an earlier developed phase of the similar development within ORPC's Service Area.

7.1.3 Description of Proposed Service Area

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 proposed service area is the expanded area of Almonte Ward that is to be developed by Houchaimi Holdings Inc. as the Mill Valley Living development. The area is bounded by Appleton Side Road to the northeast, Orchard View to the south, Ottawa River Power Substation #4 on Industrial Drive to the west, and rural farmland to the east.

The official community plan as published by Mississippi Mills (Ward of Almonte) describes this land as the East Half Lot 14, Concession 10, Almonte Ward, Municipality of Mississippi Mills, County of Lanark. This land is identified in aqua color Attachment A.

7.1.4 Maps and Diagrams

• For Section 7.1.4 (a), (b), (d), (e), (f) please refer to Attachments B, C, and D.

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).

• Ninety-two (92) x Residential customers

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.

Additional lands may be included in future applications for Service Area Amendments. These lands include adjacent parcels within the expanded Almonte Ward boundaries.

7.2 Efficient Rationalization of the Distribution System

- a) Attachment B shows that Almonte Substation # 4 will be the supply source to the proposed area under this SAA application. The proposed point of connection will be from an existing ORPC overhead line that is located at the southwest point of the proposed area indicated as "End of Existing ORPC's Primary Overhead Circuit" in the map
- b) As shown in Attachment B, the existing ORPC overhead line circuit is located at the border between ORPC territory and the existing Hydro One territory that is the subject of the proposed SAA. It is estimated that the distance between our circuit to the proposed area is less than 20 meters.
- c) The total estimated cost for supplying the customer (including material, labour, and truck) is \$269,149 + HST. This estimated cost includes providing power supply to the complete proposed SAA as per the map.
- d) The capital contribution required from the customer based on the total estimated cost mentioned above is \$180,000 + HST, whereas ORPC contribution is \$89,149 + HST.
- e) No equipment will become stranded as a result of the proposed SAA.
- f) Supplying the proposed SAA will be considered as an expansion of our existing electricity network from Almonte Substation # 4 that was installed and energized in 2020. The maximum load recorded for substation # 4 is 2.3MVA. The substation capacity is 5MVA, hence the current utilization is 46%. The total demand load for the proposed SAA is 0.6MVA. The forecasted utilization for Substation # 4 after supplying the proposed SAA is anticipated to be 58%. It is expected that reliability of the electricity network will not be impacted after supplying the proposed area.
- g) The proposed infrastructure will supply the complete development included in the proposed SAA which includes a 48- unit apartment building and 44 single storey townhouses.
- h) The adjacent areas (north and west) to the proposed infrastructure belongs to ORPC and are being serviced currently by ORPC existing infrastructure. Any load growth in these areas (upgrades, infill) including the proposed SAA can be met through the existing infrastructure and Almonte Substation # 4. Since the existing infrastructure is very close/adjacent to these areas, the cost to supply them will be minimal.

7.3 Impacts Arising from the Proposed Amendment

7.3.1

Identify any affected customers or landowners.

The proposed SAA will require expansion of our existing infrastructure to cover the new area. There is no expectation to have negative impacts on existing ORPC customers, or landowners. ORPC has enough capacity at the Almonte Substation # 4 to supply ORPC customers and the new SAA without impacting reliability. As mentioned, the estimated substation utilization after supply the proposed SAA will be 58%.

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.

The proposed SAA will maintain the existing distribution rates and have no bill impacts to customers. The proposed SAA will also maintain the existing service quality and reliability. The additional customers will have a favourable impact on costs and rates due to the additional revenue.

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 impacts on costs, rates, service quality and reliability are expected as a result of this SAA.

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.

Please refer to 7.3.2 and 7.3.3.

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 be supplied by extending the circuit located at the end of ORPC territory and beginning of Hydro One territory. There are no stranded or redundant assets as a result of the supplying the new area.

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.

No asset transfer is required because of the proposed SAA. No infrastructure/assets belonging to any other LDC exist in the proposed area as it is still not developed (green field).

7.3.7

Identify any customers that are proposed to be transferred to or from the applicant.

Currently, the proposed SAA has no customers. However, the total number of future customers (after developing the area) is expected to be 92 customers (48-unit apartment building and 44 single storey townhouses). No customers will be transferred as a result of this SAA.

7.3.8

Provide a description of any existing load transfers or retail points of supply that will be eliminated.

No existing load transfer or retail point of supply will be eliminated by this SAA.

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.

As mentioned in 7.3.7, ORPC expects that the load (0.6MVA) of new 92 customers will be supplied by the existing ORPC substation # 4. The medium voltage network of ORPC and Hydro One network at the proposed SAA are separated and not connect physically through any asset. Hence, there is no expectation that new load transfer or retail points of supply will be created as a result of the proposed SAA.

Evidence of Consideration and Mitigation 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.

All affected persons have been provided with specific and factual information about the proposed Service Area Amendment.

7.3.11

Provide a letter from the incumbent distributor in which the incumbent distributor indicates that it consents to the application.

ORPC has received the support of Hydro One for this application, as indicated in the attached letter of support (Attachment G)

7.3.12

Provide a written response from all affected customers, developers, and landowners consenting to the application, if applicable.

The land proposed for inclusion in the redefined service area for ORPC consists of vacant land owned by one developer. A letter from the developer is attached (Attachment E) indicating support for service to be provided by ORPC.

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).

N/A. The proposed SAA has no customers as it is vacant land, therefore no transfer is required.

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.

The land proposed for inclusion in the redefined service area for ORPC consists of vacant land owned by one developer. A letter from the developer is attached indicating support for service to be provided by ORPC (Attachment E).

In addition, the Council of the Town of Mississippi Mills supports the application. As a shareholder of ORPC, they would benefit from the added customer base and the dividends that would be returned to the community (Attachment F).

List of Attachments

Attachment "A"

Almonte Ward boundary expansion map

Attachment "B"

Maps/diagram detailing the area that is the subject of the SAA application

Attachment "C"

Site Plan with Ottawa River Power and Hydro One existing boundary overlay

Attachment "D"

Land Survey with proposed SAA area overlay

Attachment "E"

Developer – Letter of Consent

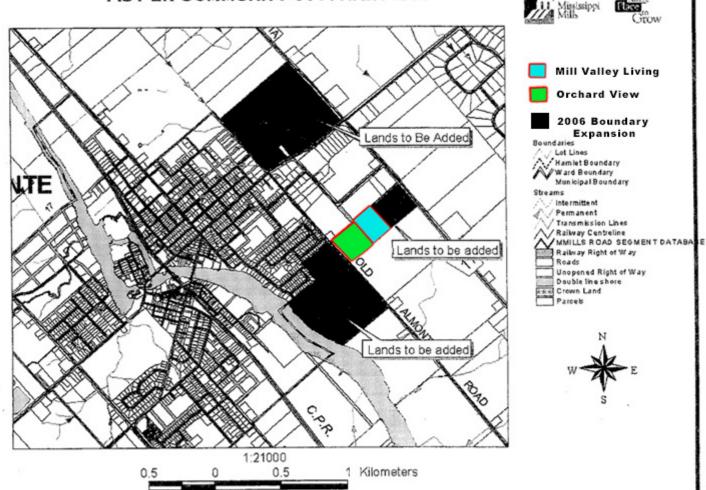
Attachment "F"

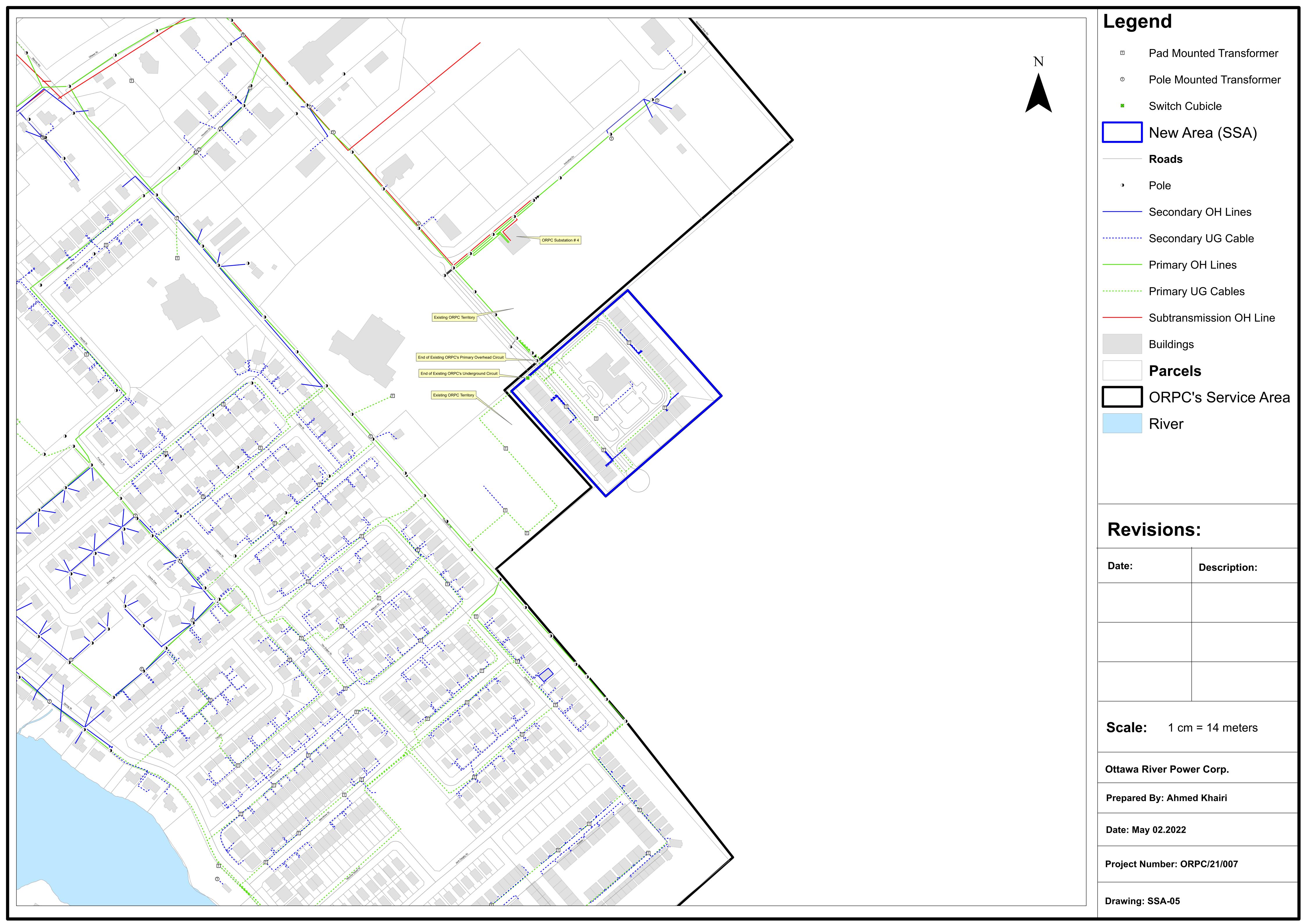
Municipality – Letter of Support

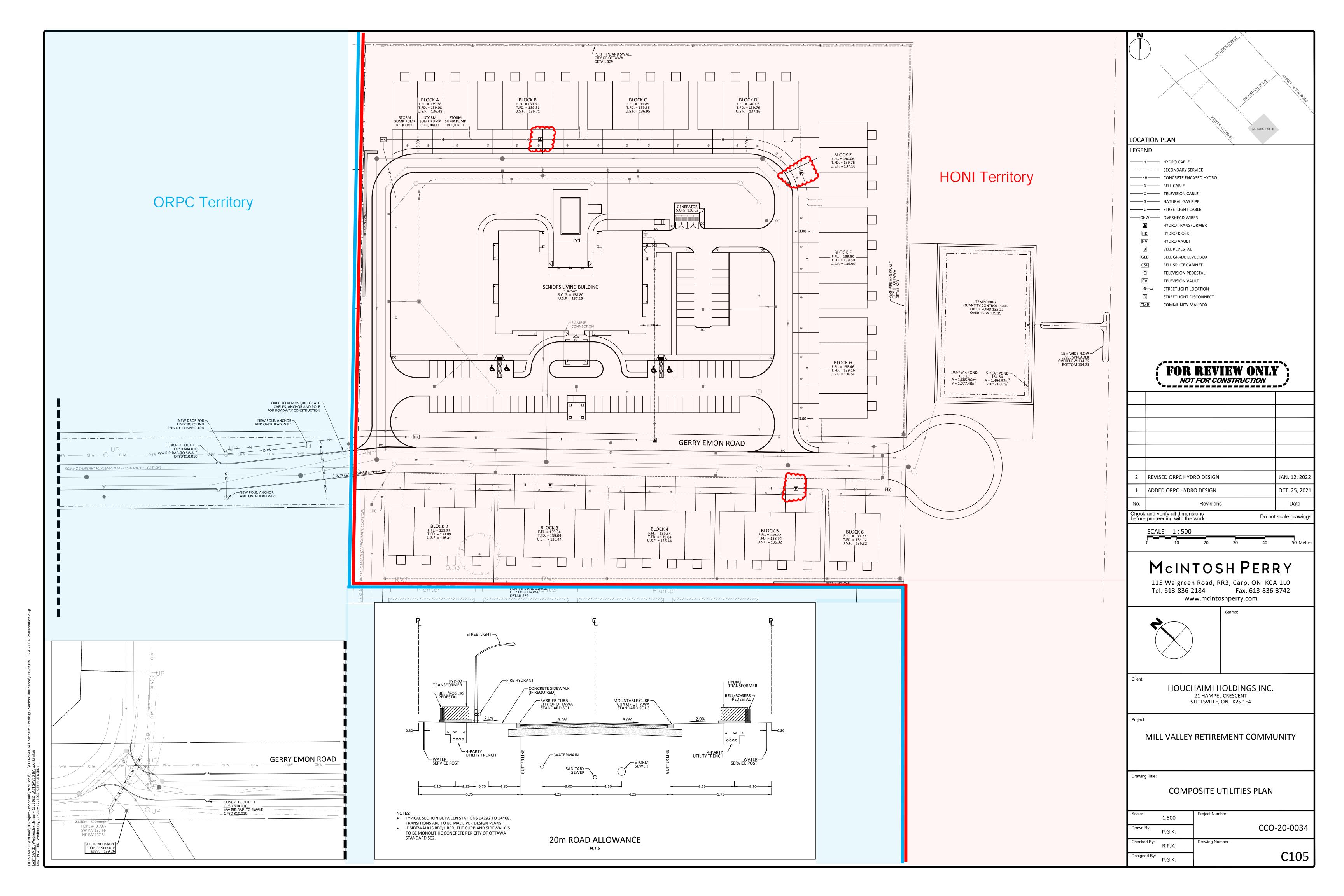
Attachment "G"

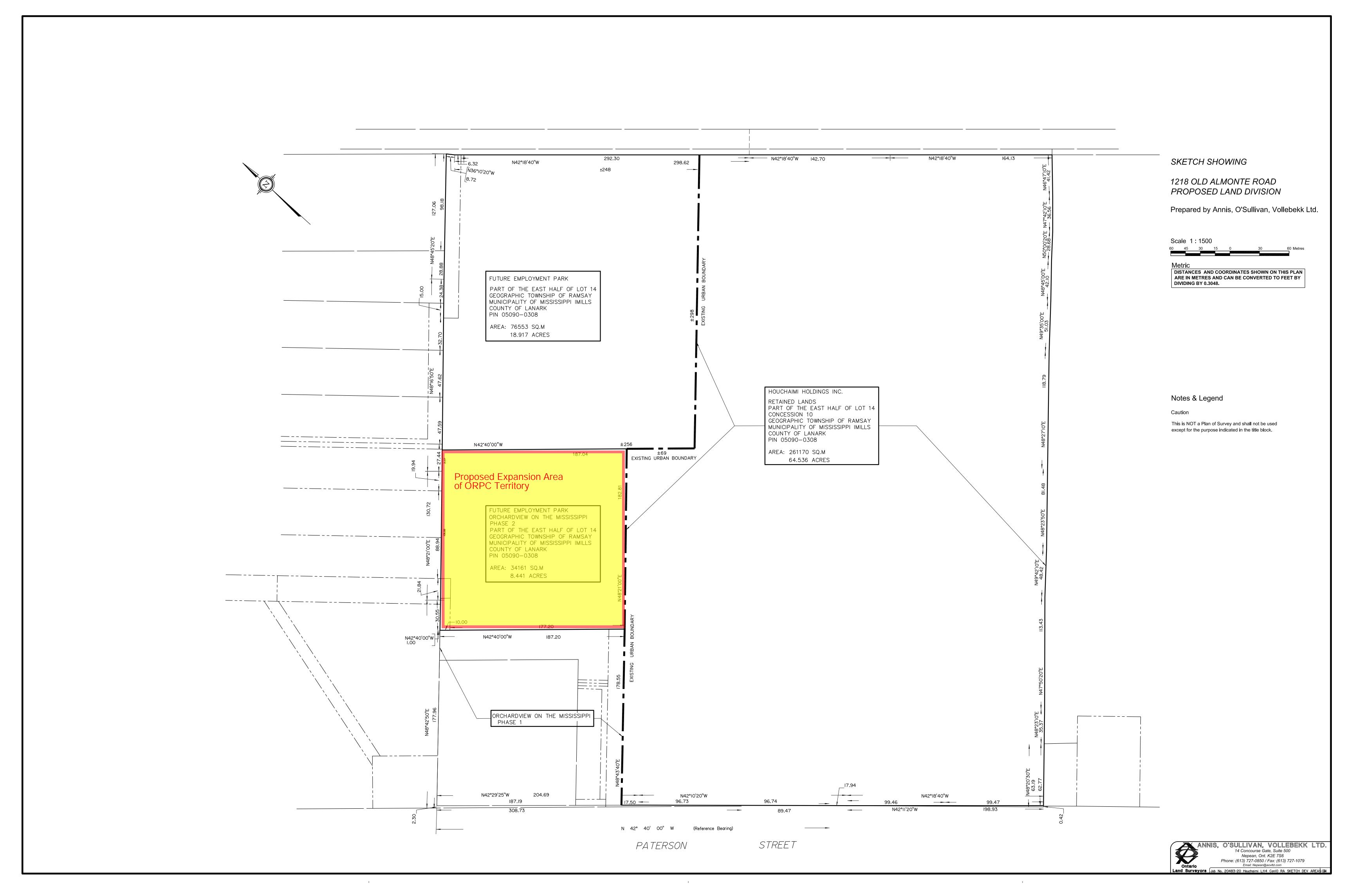
Hydro One – Letter of Consent

ALMONTE WARD BOUNDARY EXPANSION AS PER COMMUNITY OFFICIAL PLAN









Thursday, June 10, 2021

Justin Allen President and CEO Ottawa River Power Corporation Tel: 613.732.0998 ext 230

Fax: 613.732.9838

RE: Letter if support ORPC – Mill Valley Living

This letter is to confirm that I, Billy (Balal) Houchaimi owner and principal of Houchaimi Holdings Inc and developer of the land am in support of the proposed hydro provider change from Hydro One to Ottawa River Power Corp (ORPC) and look forward to becoming a new customer of ORPC.

Yours very truly

Billy Houchaimi

Houchaimi Holdings Inc.



CORPORATION OF THE MUNICIPALITY OF MISSISSIPPI MILLS

3131 OLD PERTH ROAD · PO BOX 400 · RR 2 · ALMONTE ON · K0A 1A0

PHONE:

613-256-2064

FAX:

613-256-4887

WEBSITE: www.mississippimills.ca

May 19, 2022

Justin Allen, President Ottawa River Power Corporation 283 Pembroke Street West PO Box 1087 Pembroke ON K8A 6Y6

Dear Mr. Allen:

Extension of ORPC Service Area

On behalf of Council of the Corporation of the Town of Mississippi Mills, I am writing to inform you of our support for Ottawa River Power Corporation's Service Area Amendment (SAA) application to extend their service territory in the Almonte area to include the property owned by Houchaimi Holdings Inc. The specific property is located in the northeast guadrant of Almonte as shown on the attached map.

Mississippi Mills is an amalgamated municipality formed on January 1, 1998, incorporating the former municipalities of the Town of Almonte and the Townships of Ramsay and Pakenham. During the development of the Town's new Community Official Plan, approved by the Province of Ontario in 2006, 200 acres of additional land were incorporated into the boundaries of the Almonte Ward from the Ramsay Ward for the purposes of future development in accordance with the Province's Smart Growth policies. The incumbent distributor for portions of this land is Hydro One for electricity purposes, but water and sewer will be serviced by the Ward of Almonte.

We are aware that the Ontario Energy Board (OEB) has approved previous SAA applications submitted by ORPC that encompassed portions of the 200 additional acres. Most recently, in 2015, approval was granted by the Ontario Energy Board to include 7.62 acres of land adjacent to the property owned by Houchaimi Holdings Inc. To provide consistent servicing to the entire population within the Almonte Ward, Council strongly supports an application by Ottawa River Power Corporation to apply to the OEB to incorporate the lands owned by Houchaimi Holdings Inc. (8.4 acres) into ORPC's service area.

Please feel free to include this letter with your application to the Ontario Energy Board for a boundary adjustment. If you or anyone from the Ontario Energy Board would like to speak to me regarding this matter, I would be more than pleased.

Sincerely,



Hydro One Networks Inc.

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

Joanne Richardson

Director, Major Projects and Partnerships C 416.902.4326 Joanne.Richardson@HydroOne.com

BY EMAIL

August 3, 2022

Mr. Justin Allen President Ottawa River Power Corporation 283 Pembroke Street West Pembroke, ON K8A 6Y6

Dear Mr. Allen,

Ottawa River Power Corporation Application for Licence Amendment

This is to confirm that Hydro One Networks Inc. ("Hydro One") supports your application to amend the Ottawa River Power Corporation ("ORPC") Distribution Licence as proposed in ORPC's service area amendment application. The intent of the application is to amend ORPC's distribution licence to include the lands described as:

East Half Lot 14, Concession 10, Almonte Ward, Municipality of Mississippi Mills, County of Lanark

Also, Hydro One supports ORPC's request to proceed with this service area amendment without a hearing.

Sincerely,

Joanne Richardson