

Entegrus Powerlines Inc. 320 Queen St. (P.O. Box 70) Chatham, ON N7M 5K2 Phone: (519) 352-6300 Toll Free: 1-866-804-7325 entegrus.com

August 5, 2022

Nancy Marconi Ontario Energy Board PO Box 2319 27th Floor, 2300 Yonge Street Toronto, Ontario M4P 1E4

#### Re: Application for Service Area Amendment

Dear Ms. Marconi,

Entegrus Powerlines Inc. ("Entegrus") respectfully submits the following Service Area Amendment application. By way of this application, Entegrus seeks Ontario Energy Board ("Board") approval to amend its Distribution Licence (ED-2002-0563).

The complete application was submitted today via the Board's web portal in electronic PDF form.

Entegrus requests that this Application be processed by way of written hearing.

If you have any further questions, please do not hesitate to contact us.

Regards,

[Original signed by]

David C Ferguson Chief Regulatory Officer & Vice President of Human Resources Phone: 519-352-6300 Ext 4558 Email: regulatory@entegrus.com

cc: Tomo Matesic, Vice President Engineering & Operations Zeeshan Syed, Engineering Manager Mark Groendyk, Regulatory Supervisor

# **ENTEGRUS**<sup>™</sup>

## **Application for Service Area Amendment**

Application & Evidence Licence: ED-2002-0563 Date Filed: August 5, 2022



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#### 2 LIST OF EXHIBITS

- 1. Map of Entegrus Proposed Connection
- 2. Map of Border of Applicant and Incumbent Service Area
- 3. Map of Geographical Features Surrounding the Area
- 4. Map of Proposed & Existing Facilities Supplying the Area
- 5. Map of 50 Carroll Street West
- 6. Developer Support Letter
- 7. Hydro One Consent Letter



#### **3** INTRODUCTION

Entegrus Powerlines Inc. ("Entegrus") is making this application (the "Application") to the Ontario Energy Board ("OEB") pursuant to Section 74(1) of the Ontario Energy Board Act, 1998 for the purpose of amending the licensed service area of Entegrus as described in Schedule 1 of its Distribution Licence ED-2002-0563 (the "Service Area") to include 50 Carroll Street West in the County of Middlesex (the "Subject Area"), owned by the Litera Group ("Litera"). This property is within the municipal boundary of the City of Strathroy-Caradoc, but outside the existing Service Area of Entegrus.

The Subject Area is currently within the service territory of Hydro One Networks Inc. ("Hydro One"), and adjacent to the Entegrus Service Area, as currently defined in Schedule 1 of Licence ED-2002-0523. The Subject Area is owned by the Litera Group ("Developer"), located in the southeast section of Strathroy, Ontario, and is designated for residential development.

The Subject Area is shown in Exhibit 5.

The Subject Area is described as:

50 Carroll Street West, consisting of Lot 16 and Part Lot 21, Concession 9, in the municipality of Strathroy-Caradoc, County of Middlesex

For the reasons set out herein, it is in the public interest to amend Schedule 1 of the Entegrus electricity distribution licence, entitled "The Entegrus Powerlines Inc. Rate Zone" (starting on page 15) to add the above Subject Area to line 12 of the licence.

In considering this application, Entegrus understands that the Board will be guided by the principles articulated in the Board's Filing Requirements for Service Area Amendment Applications dated March 12, 2007, and included as Chapter 7 of the Filing Requirements for Transmission and Distribution Application, together with the Board's Decision with Reasons in the RP-2003-0044 combined service area amendments proceeding (the "Combined Proceeding"). This Application satisfies each of those requirements. The Developer has indicated that it prefers Entegrus as the distributor for the Subject Area. A copy of the letter of support has been included in Exhibit 6.



Hydro One has agreed to consent to this Application and the required expansion of Entegrus' service territory to service the Subject Area. A copy of the letter of consent is included in Exhibit 7. Given the manner in which Schedule 1 of Hydro One's licence is presented, it would not need to be amended if this SAA application is approved.

Entegrus requests that the Board dispose of this Application without a hearing pursuant to Section 21(4) of the Ontario Energy Board Act, 1998. As described further below, no person will be adversely affected in a material way by the outcome of this Application other than Entegrus, Hydro One (who has consented) and the Developer (who prefers Entegrus).



#### 4 GENERAL

#### **4.1 CONTACT INFORMATION**

The contact information for all affected parties is listed below.

#### **Applicant:**

1) Tomo Matesic, Vice President of Engineering & Operations

Entegrus Powerlines Inc., 320 Queen St Chatham, Ontario N7M 5K2

Telephone: 519-352-6300 ext. 4349

Email address: tomo.matesic@entegrus.com

2) David Ferguson, Chief Regulatory Officer & Vice President of Human Resources

Entegrus Powerlines Inc., 320 Queen St Chatham, Ontario N7M 5K2

Telephone: 519-352-6300 ext. 4558

Email address: regulatory@entegrus.com

3) Zeeshan Syed, Engineering Manager

Entegrus Powerlines Inc., 135 Edward St, St. Thomas ON N5P 3V2

Telephone: 226-377-2260

Email address: zeeshan.syed@entegrus.com



#### The Incumbent Distributor:

Pasquale Catalano, Sr. Advisor Regulatory Affairs

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

Telephone: 416-345-5405

Email: regulatory@hydroone.com

#### **Alternate Distributors**

None

#### **Developer Representative:**

Ryan Frouws, P. Eng.

Strik Baldinelli Moniz Engineering Consultant

1599 Adelaide St N Unit 301, London, ON N5X 4E8

Phone: 519-471-6667 Ext. 173

Email: rfrouws@sbmltd.ca

#### The Developer (and registered owner of the Subject Area)

Jacob Katz, President

Litera Group., 140 Ann St, Suite 202, London, ON N6A 1R2

Phone: 519-854-7949

Email: jacob@literagroup.ca



#### 4.2 REASONS FOR AMENDMENT

The service area amendment proposed in this Application is in the public interest as defined in the Combined Proceeding, for the following reasons:

- 1. The Developer's preference is that Entegrus service the Subject Area (see Exhibit 6).
- The proposed Service Area Amendment ("SAA") is consistent with the objective of a rational and efficient service area alignment based on both economic (cost) efficiency and the efficient use of existing distribution resources.
- 3. Entegrus has infrastructure across the road to the Subject Area that can provide the required electrical service with minimal investment. The incumbent distributor (Hydro One) also has infrastructure within close proximity to the Subject Area. Entegrus and Hydro One held a meeting to review connection proposals in order to determine which distributor could connect the customer more cost effectively. Following discussions between the two distributors, the parties concluded that Hydro One's costs to service the Subject Area are greater than Entegrus' and Hydro One agreed to consent to this SAA application (see Exhibit 7).
- 4. Entegrus' connection proposal for the Subject Area is comparable to Hydro One's in terms of system planning, safety and service reliability.
- 5. The proposed SAA will not result in stranded or duplicated assets.
- 6. The incorporation of the Subject Area into Entegrus' Service Area will be seamless. The Subject Area is across the road to the Entegrus Service Area and will be connected to existing Entegrus infrastructure.

There would be no load transfers created or eliminated as a result of the proposed SAA.



#### 4.3 DESCRIPTION OF PROPOSED SERVICE AREA

The Subject Area is generally referred to as 50 Carroll Street West and consists of 41 services (40 townhouse residential dwellings and 1 general service).

The legal description of the Subject Area is described in Section 3 above.

Exhibit 4 shows the proposed and existing facilities surrounding the area.

Exhibit 5 shows the full extent of property owned by the Developer.

#### 4.4 MAPS AND DIAGRAMS OF PROPOSED SERVICE AREA

The following maps, diagrams and pictures are attached:

- Exhibit 1 Map of Entegrus Proposed Connection
- Exhibit 2 Map of Border of Applicant and Incumbent Service Area
- Exhibit 3 Map of Geographical Features Surrounding the Area
- Exhibit 4 Map of Proposed & Existing Facilities Supplying the Area
- Exhibit 5 Map of 50 Carroll Street West
- Exhibit 6 Developer Letter of Support
- Exhibit 7 Hydro One Letter of Consent

Collectively, these maps identify the Subject Area, the existing borders of Entegrus and Hydro One, the area around the Subject Area, and the existing and proposed infrastructure supplying the Subject Area. Some details (such as locations of lot lines) are subject to change as the development proceeds.

#### 4.5 DESCRIPTION OF PROPOSED PHYSICAL CONNECTION

The Subject Area consists of 41 services (townhouse residential dwellings). For the economic modeling and system planning, a residential load of 653 kWh and a general service < 50 kW load of 1,000 kWh per



month of additional load to the Entegrus system was contemplated. The Developer has requested connection in October 2022.

The Subject Area will be supplied by extending the single-phase line from the existing Entegrus overhead system. The point of connection is adjacent to the intersection of McKellar Street and Carroll Street, along Carroll Street.

The existing and proposed infrastructures are shown in Exhibit 4.

#### 4.6 FUTURE EXPANSIONS IN ADJACENT LANDS

The Site Plan shown in Exhibit 5 and the Developer Owned Property Map in Exhibit 3 identify the property owned by the Developer.



#### 5 EFFICIENT RATIONALIZATION OF THE DISTRIBUTION SYSTEM

5.1 THE PROPOSED SAA WILL PROMOTE ECONOMIC (COST) EFFICIENCY AND MAKE EFFICIENT USE OF EXISTING ENTEGRUS DISTRIBUTION ASSETS WHICH ARE ACROSS THE ROAD TO THE POINT OF CONNECTION.LOCATION OF THE POINTS OF DELIVERY AND CONNECTION

As noted above, the Subject Area is across the road to the Entegrus Service Area.

Exhibit 1 shows the existing Entegrus infrastructure running along Carroll Street that will be extended to the new development.

Entegrus understands that Hydro One would supply this development by extending its existing distribution system from the line passing through the development.

#### 5.2 PROXIMITY TO DISTRIBUTION SYSTEM

The Subject Area is across the road to the Entegrus Service Area. The proximity of Hydro One's territory is shown in Exhibit 2.

#### **5.3 FULLY ALLOCATED CONNECTION COSTS**

The fully allocated connection costs for Entegrus and Hydro One were reviewed jointly by both distributors. The connection costs for Entegrus were less than the equivalent costs for Hydro One.

#### 5.4 CAPITAL CONTRIBUTION

The amount of capital contribution required from the customer by Entegrus is \$16,879.37.

#### 5.5 STRANDED EQUIPMENT COSTS

There will be no stranded equipment due to the proposed SAA. Consequently, the costs are nil.



#### 5.6 INFRASTRUCTURE RELIABILITY

The proposed SAA will not have any adverse effects on reliability in the Subject Area or adjacent areas. This will be an incremental expansion of Entegrus distribution system.

#### 5.7 COST-EFFECTIVENESS OF FUTURE EXPANSIONS

The infrastructure proposed by Entegrus will adequately supply the proposed 41 services.

#### 5.8 COST-EFFECTIVENESS OF IMPROVEMENTS AND UPGRADES

The infrastructure proposed by Entegrus will not adversely affect the cost-effectiveness of future improvements and upgrades in the area.



#### 6 IMPACTS ARISING FROM THE PROPOSED AMENDMENT

#### 6.1 AFFECTED CUSTOMERS AND LAND OWNERS

The Subject Area is vacant land owned by the Developer. The Developer supports the proposed SAA. There are no other customers affected.

#### 6.2 CUSTOMER IMPACTS WITHIN SUBJECT AREA

Approval of this SAA will result in lower distribution rates for customers within the Subject Area, with no impact to service quality or reliability. The additional customers will have a marginally favorable impact on costs and rates due to additional distribution revenue.

#### 6.3 CUSTOMER IMPACTS OUTSIDE SUBJECT AREA

Approval of this SAA will not result in any negative impacts on cost, rates, service quality, and reliability for Entegrus' existing customers. The additional customers will have a marginally favorable impact on costs and rates due to the additional distribution revenue.

#### **6.4 DISTRIBUTOR IMPACTS**

Approval of this SAA will not result in any negative impact on Entegrus' costs, service quality or reliability. Instead, Entegrus will have a favorable customer impact in terms of costs and rates with additional customer growth and distribution revenue.

#### 6.5 STRANDED AND REDUNDANT ASSETS

No assets will be stranded or made redundant as a result of this SAA.

#### **6.6 TRANSFERRED ASSETS**

No assets will be transferred as a result of this SAA.



#### **6.7 TRANSFERRED CUSTOMERS**

No customers will be transferred as a result of this SAA.

#### 6.8 ELIMINATED LOAD TRANSFERS OR RETAIL POINTS

No existing load transfers or retail points of supply will be eliminated by this SAA.

#### 6.9 NEW LOAD TRANSFERS OR RETAIL POINTS

No new load transfers or retail points of supply will be created by this SAA.

#### 6.10 WRITTEN CONFIRMATION OF FULL DISCLOSURE

Entegrus confirms that all affected parties have been provided with specific and factual information about the proposed SAA. As mutually agreed by Hydro One and Entegrus, the Developer will be receiving an Offer to Connect from Entegrus. Entegrus intends to provide the offer to the Developer by September 1, 2022.

#### 6.11 CONSENT OF INCUMBENT DISTRIBUTOR

Hydro One has consented to this SAA, and a copy of the letter of consent is attached as Exhibit 7.

#### 6.12 CONSENT OF DEVELOPER

The Developer has provided their consent via a letter of support attached as Exhibit 6.

#### 6.13 MITIGATION EFFORTS RELATED TO CUSTOMER AND ASSET TRANSFER

No customers or assets will be transferred as a result of this SAA.



#### 7 CUSTOMER PREFERENCE

The Developer has indicated their preference to have Entegrus supply this Development, as noted in their letter of support attached as Exhibit 6.



# Map of Entegrus Proposed Connection

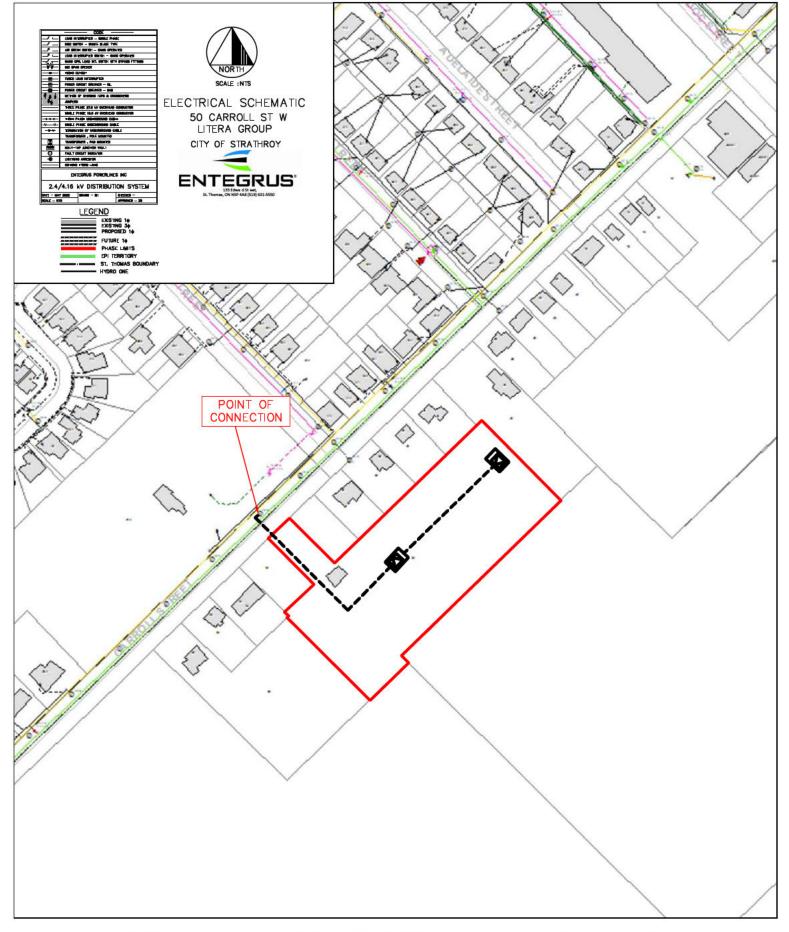
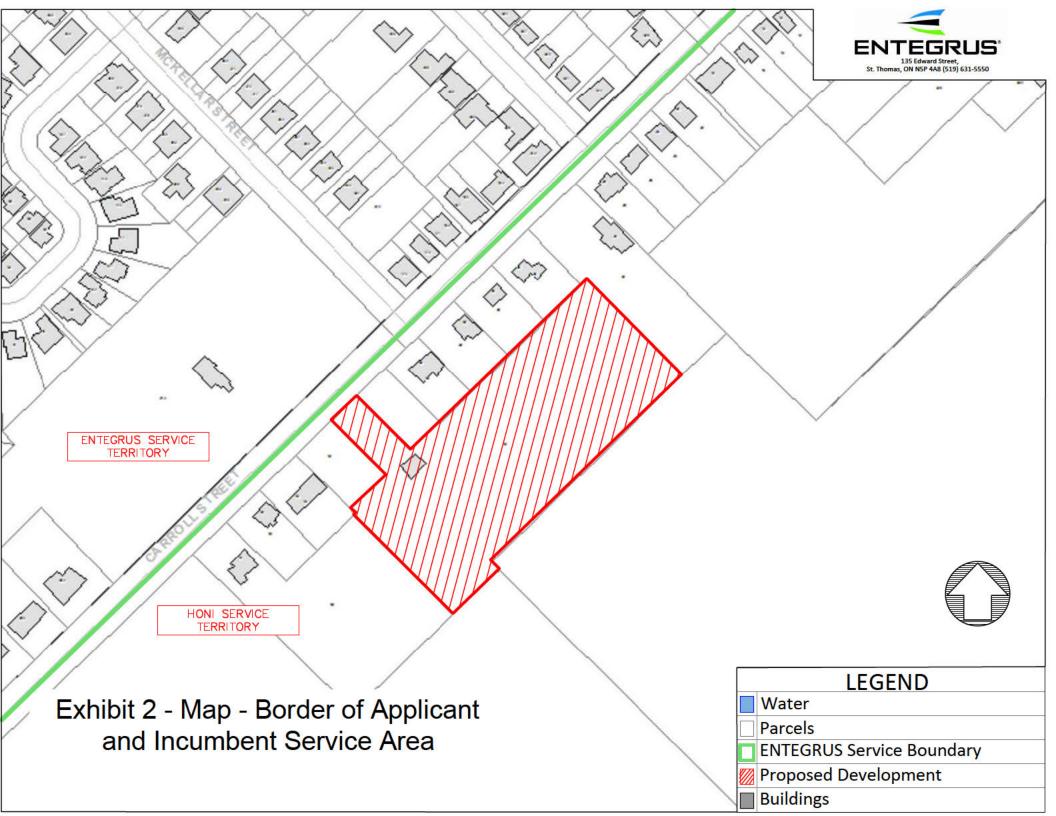


Exhibit 1 - Map - ENTEGRUS Proposed Connection



Map of Border of Applicant and Incumbent Service Area





# Map of Geographical Features Surrounding the Area



Exhibit 3 - Map - Geographical Features Surrounding the Area







## Map of Proposed & Existing Facilities Supplying the Area

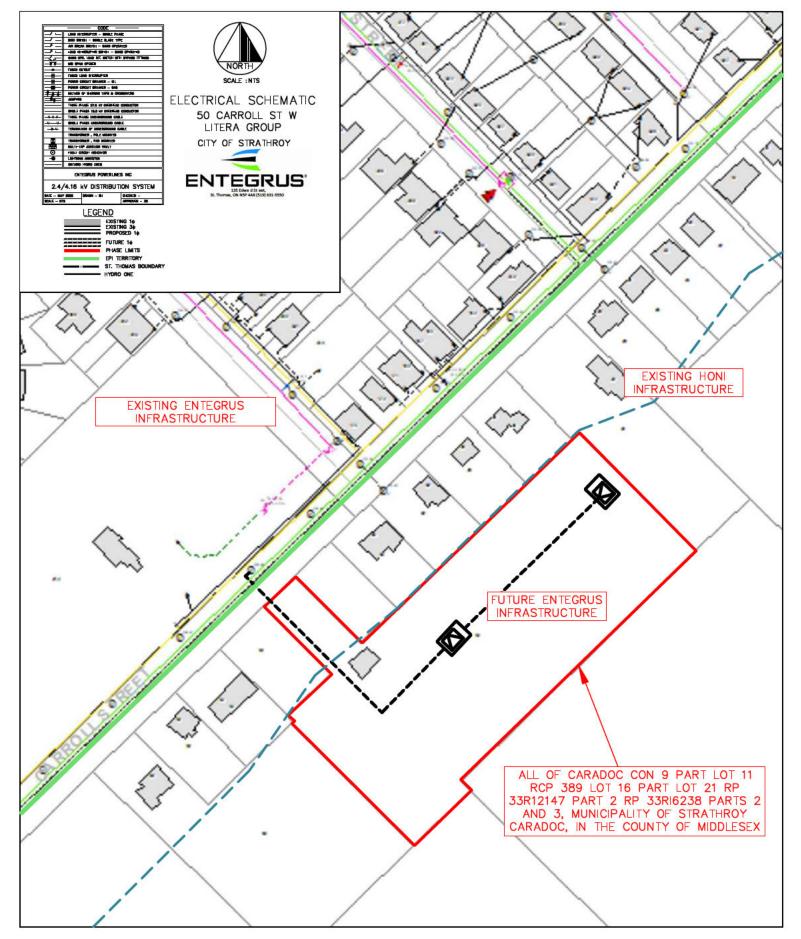


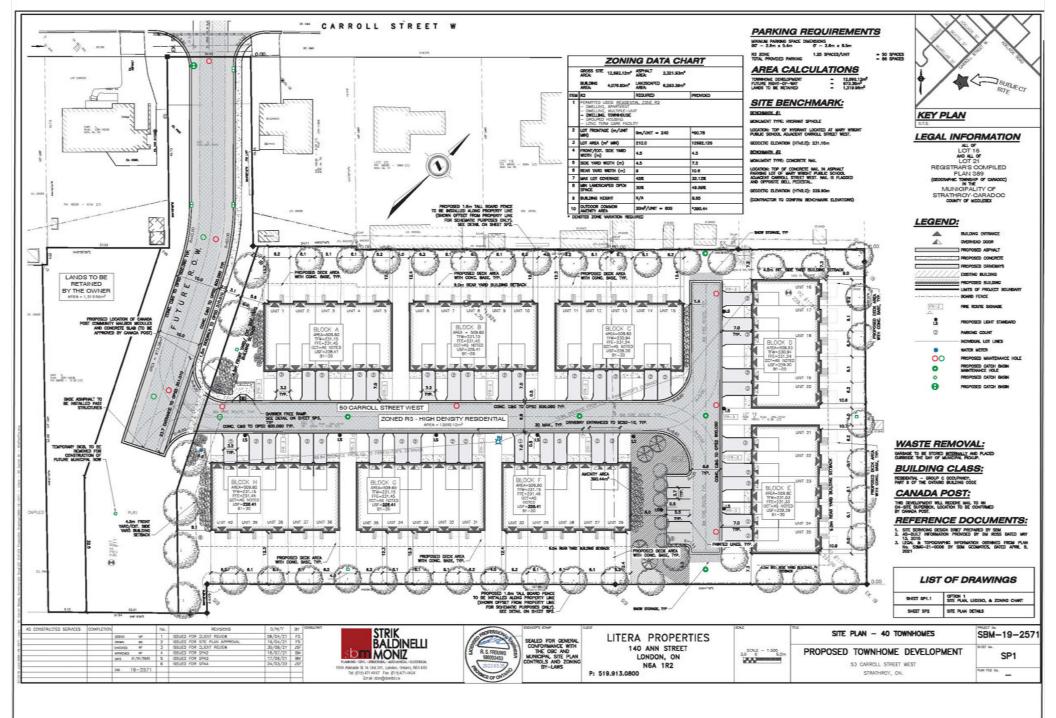
Exhibit 4 - Map - Proposed & Existing Facilities Supplying the Area



## Map of Orchard Park Meadows Subdivision

## Exhibit 5 - Map - 50 CARROLL ST W, LITERA GROUP







# Developer Support Letter

2799758 Ontario Inc. 140 Ann Street, Suite 202 London, ON N6A 1R3

June 21, 2022

Entegrus Powerlines Inc. 135 Edward St. St. Thomas ON NSP 4A8

Attn: Zeeshan Syed, P. Eng., Manager of Engineering, Entegrus Powerlines Inc.

Re: Service Area Amendment for 50 Carroll St W, Strathroy

Dear Sir/Madame:

We are the developers of the residential condominium development known as 50 Carroll St W, located on the South side of Carroll Street West in the Town of Strathroy. It is our understanding that both Entegrus Powerlines Inc. (EPI) and Hydro One are interested in servicing the customers in this development.

It would be our preference to have EPI as the distributor for this development. This new development abuts an existing residential area already supplied by EPI and it would be logical for EPI to extend their electrical system to connect these new customers.

Please contact me if you have any questions.

Yours truly,



President 2799758 Ontario Inc. 519-854-7949



## Hydro One Consent Letter



#### 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

July 27, 2022

Tomo Matesic Vice President of Engineering & Operations Entegrus Powerlines Inc. 320 Queen Street Chatham, ON N7M 5K2

Dear Mr. Matesic,

## Entegrus Powerlines Inc. Application for a Service Area Amendment – Hydro One Networks Inc. Consent Letter

This is to confirm that Hydro One Networks Inc. ("Hydro One") supports your application to amend the Entegrus Powerlines Inc. ("Entegrus") Distribution Licence as proposed in Entegrus' service area amendment application. The intent of the application is to amend Entegrus' distribution licence to include the property legally described as follows in the service area amendment application:

50 Carroll Street West, consisting of Lot 16 and Part Lot 21, Concession 9, in the municipality of Strathroy-Caradoc, County of Middlesex.

Hydro One also supports Entegrus' request to proceed with this service area amendment without a hearing. If you have any questions or concerns, please contact Pasquale Catalano at Pasquale.Catalano@HydroOne.com or alternatively, via telephone, at 647-616-8310.

Sincerely,



Joanne Richardson

cc. Dhaval Patel, Hydro One Networks Inc.