



**Service Area Amendment Application**

**Centre Wellington Hydro Ltd.  
ED-2002-0498**

**October 17, 2022**

## 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.*

A new 24 lot business park is being developed by the Township of Centre Wellington (the "Developer") it is located adjacent to Centre Wellington Hydro Ltd.'s ("CWH") well established distribution system in the Town of Fergus within the Township of Centre Wellington. The Subject Area is located within Hydro One Networks Inc.'s ("HONI") service territory.

The legal description Subject Area is described as:

Centre Wellington Business Park: East Part of Lot 9, Concession 1, Township of West Garafraxa

The purpose of this Service Area Amendment ("SAA") is to amend the Schedule 1 of the CWH electricity distribution license to add the above Subject Area. Given the manner in which Schedule 1 of Hydro One's license is presented, it would not need to be amended upon approval of this SAA.

HONI has given its support to this Application and the required expansion of CWH's service territory to service the Subject Area.

CWH 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 in the Application, no person will be adversely affected in a material way by the outcome of this Application other than CWH, HONI (who has consented) and the Developer.

## 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:

**Centre Wellington Hydro Ltd.**

Wayne Dyce

President/Secretary

730 Gartshore St. P.O. Box 217

Fergus, ON N1M 2W8

Telephone: 519-843-2900

Fax: 519-843-7601

E-mail: wdyce@cwhydro.ca

#### 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:

**Hydro One Networks Inc.**

Mark Ciufo

Sr. Advisor Regulatory Affairs

483 Bay Street, 7th Floor, South Tower

Toronto, ON M5G 2P5

Telephone: 647-518-0494

Email: regulatory@hydroone.com

#### 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:

**Township of Centre Wellington**

Brett Salmon

Managing Director of Planning and Development

1 MacDonald Square

Elora, ON, N0B1S0

Telephone: 519-846-2074

E-mail: BSalmon@centrewellington.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.

#### 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.*

The developer's land is currently in HONI service territory, and the customer has requested a new 3-phase pole line to be built to connect 24 new industrial lots at the subject location. CWH has 3-phase infrastructure adjacent to the subject area that can provide the required 3-phase supply with minimal investment. The incumbent distributor (HONI) would have to build out approximately 0.8 km of new 3-phase distribution line to service the customer. Following the discussion between two distributors, the parties concluded that HONI's costs to service the subject area will be greater than the CWH's and HONI agreed to consent this SAA application. It would be in the best interests of the developer and both distributors to include this area in CWH's licence.

### **7.1.3 DESCRIPTION OF PROPOSED SERVICE AREA**

*(a) 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 lands subject to this SAA are owned by the Corporation of Centre Wellington Township located between Dickson Drive in the Town of Fergus and the 1<sup>st</sup> Line of Centre Wellington, formerly West Garafraxa Township. The legal description of the approximately 22 hectares is "East Part of Lot 9, Concession 1, Township of West Garafraxa". See attachment 1 – Map of land subject to this SAA.

*(b) Provide geographic descriptions of the lands that are subject of the SAA application and how they should be reflected on the Schedule 1 of the applicants' electricity distribution licences.*

See attachment 1- Map of land subject to this SAA.

The land should be added to CWH's electricity distribution licence Schedule 1 as per bullet **10** below.

**Centre Wellington Hydro Ltd.  
Electricity Distribution Licence ED-2002-0498**

#### **SCHEDULE 1 DEFINITION OF DISTRIBUTION SERVICE AREA**

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with paragraph 8.1 of this Licence.

1. The former Town of Fergus as of December 31, 1998, now in the Township of Centre Wellington
  - Excluding the following properties:
    - i. 525 Guelph Road, Fergus. PIN 715010038 of the former Township of Nichol
    - ii. 665 Guelph Road, Fergus. PIN 715010040 of the former Township of Nichol
    - iii. 630 Union Street West, Fergus. PIN 715010034 of the former Township of Nichol
    - iv. 640 Union Street West, Fergus. PIN 715010035 of the former Township of Nichol
2. The former Village of Elora as of December 31, 1998, now in the Township of Centre Wellington
  - Excluding the following properties:
    - i. 81 Sophia Street, Elora. PIN 714170024 of the former Township of Nichol
    - ii. 83 Sophia Street, Elora. PIN 714170025 of the former Township of Nichol
3. Plan 61R9227, Part of Lot 14, Concession 2 of the former Township of Nichol, now within the Township of Centre Wellington and having municipal address of 950 Scotland Street.
4. Black Street and Revell Drive, Concession 15 Part of Lot 20 now within the Township of Centre Wellington formerly in the Township of Nichol.

5. 6510 Wellington Road 7, Centre Wellington Township. Legal description, PT LT  
BROKEN FRONT CON 1 EAST OF GRAND RIVER PILKINGTON AS IN MS23746;  
CENTRE WELLINGTON.
6. 80 Bridge Street, Elora. PIN 714070047 of the former Township of Nichol.
7. 965 Gartshore Street, Fergus. PIN 711290284 of the former Township of Nichol.
8. 361 Beatty Line N, Fergus, ON. Legal description, PLAN 61R – 11007, Part Lot 1, Part of  
Lots A, J, K and L, REG. Plan 178, in the Township of Centre Wellington.
9. 6520 County Rd 7, Centre Wellington. Legal description, Lot RP61R6273 -Part 4  
Concession 1EOGR-PTBF; Centre Wellington.
- 10. Centre Wellington Business Park: Dickson Drive extension, East Part of Lot 9,  
Concession 1, Township of West Garafraxa.**

The proposed amendment would have no impact on HONI's distribution licence as HONI's licenced service areas in the Township of Centre Wellington include all areas except the areas served by CWH.

**Hydro One Networks Inc.**  
**Electricity Distribution Licence ED-2003-0043**

**SCHEDULE 1: DEFINITION OF DISTRIBUTION SERVICE AREA**  
**APPENDIX B – TAB 4**

Name of Municipality: Township of Centre Wellington

Formerly Known As: Town of Fergus, Village of Elora, Township of West Garafraxa, Township  
of Nichol, Township of Pilkington, as at December 31, 1998.

Area Not Served by Networks: The area served by CWH described as the former Town of Fergus  
and the former Village of Elora as more particularly set out in Licence No. ED-2002-0498.

Network Assets within area not served by Networks: Yes

Customer(s) within Area not served by Networks: No

No change is required to HONI's licence

#### 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 2

#### 7.1.4 (b)

*Borders of the incumbent distributor's service area*

HONI's distribution area surrounds CWH's Service Territory in Elora. See attachment 2.

#### 7.1.4 (c)

*Borders of any alternate distributor's service area*

Not Applicable.

#### 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)*

CWH has a well-established 3-phase distribution system that dead ends at the ingress of the Dickson Drive extension that can be utilized to readily serve the new development. These facilities are capable of servicing the expansion load in the subject area.

## **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).*

The proposed type of connections within the new development are commercial/general business services.

### **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.*

Not Applicable.

## **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 development requires a 3-phase overhead primary circuit to be installed along new roadways to accommodate 24 commercial lots. CWH's current distribution system has a 3-phase primary feeder at the entrance to the development's Dickson Drive extension/entrance readily available. Using this existing infrastructure is an economically efficient solution for servicing the anticipated load customers in the short and long term.

There will be no contributed capital required from the customer for the pole line rebuild as determined by CWH's Economic Evaluation.

### **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)

Not applicable.

*Location of the point of delivery and the point of connection*

See attachment 1.

### 7.2.1 (b)

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

The point of connection is in direct proximity to CWH's well-developed existing 3-phase distribution system.

### 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).*

A cost estimate of \$161,742.06 has been determined and used for the developers offer to connect.

### 7.2.1 (d)

*The amount of any capital contribution required from the customer*

The customer is not required to contribute any capital expenses.

### 7.2.1 (e)

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

There will be no stranded equipment or assets associated with the project.

### 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*

The SAA neither enhances or decreases the reliability of the distribution system within the surrounding area currently or in the future.

### 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*

The proposed infrastructure subject to this SAA is for the purpose of connecting new customers in the described business park development only and will have no bearing on potential growth in regions adjacent to the area subject to the SAA. This SAA is not expected to provide cost-efficient expansion in adjacent regions in future.

#### **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.*

The proposed infrastructure is meant to connect new customers in the business park only and not expected to provide major improvements to the area subject to this SAA or adjacent regions.

### **7.3 IMPACTS ARISING FROM THE PROPOSED AMENDMENT**

#### **Description of Impacts**

##### **7.3.1**

*Identify any affected customers or landowners.*

No customers or landowners will be affected by the new pole line planned to connect new customers in the business park only.

##### **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.*

Not applicable.

##### **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.*

This SAA application which relates to the business park development only, will have no impact on customers or distributors outside the subject area.

##### **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.*

Neither distributor involved with this application will be negatively impacted.

##### **7.3.5**

*Provide a description of any assets which may be stranded or become redundant if the proposed SAA is granted.*

There will be no stranded assets or redundancies if the proposed SAA is granted.

### 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 transfer of assets are proposed for this project.

### 7.3.7

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

Not applicable.

### 7.3.8

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

Not applicable.

### 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.*

Not applicable.

## 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.*

HONI's consent letter (Attachment 3) demonstrates communication between CWH and HONI.

### 7.3.11

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

Attachment 3 – HONI's consent letter supporting SAA.

### 7.3.12

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

See Attachment 4.

### 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.

## 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.*

Not applicable.

## 7.5 ADDITIONAL INFORMATION 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.*

Not applicable.

### 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.*

Not applicable.

### 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.*

Not applicable.

### 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.*

Not applicable.

#### 7.5.4

*If there are competing offers to connect, a comparison of the competing offers to connect the customer, landowner, or developer.*

Not applicable.

#### 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.*

Not applicable.

#### 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.*

Not applicable.

#### 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.*

Not applicable.

### 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.*

### 7.7 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.**

CWH requests that the Board proceed with this application without a hearing.

- (a) No person will be adversely affected if the Board approves this application. The developer is aware of this application and agrees to CWH's intention of connecting the new electrical services.
- (b) HONI has provided consent in support of this application.

## 7.8 CERTIFICATION AND ACKNOWLEDGMENT STATEMENT

I certify that the information contained in this application and in the documents provided are true and accurate.

Original signed by Wayne Dyce

A handwritten signature in black ink, appearing to read 'Wayne Dyce', written in a cursive style.

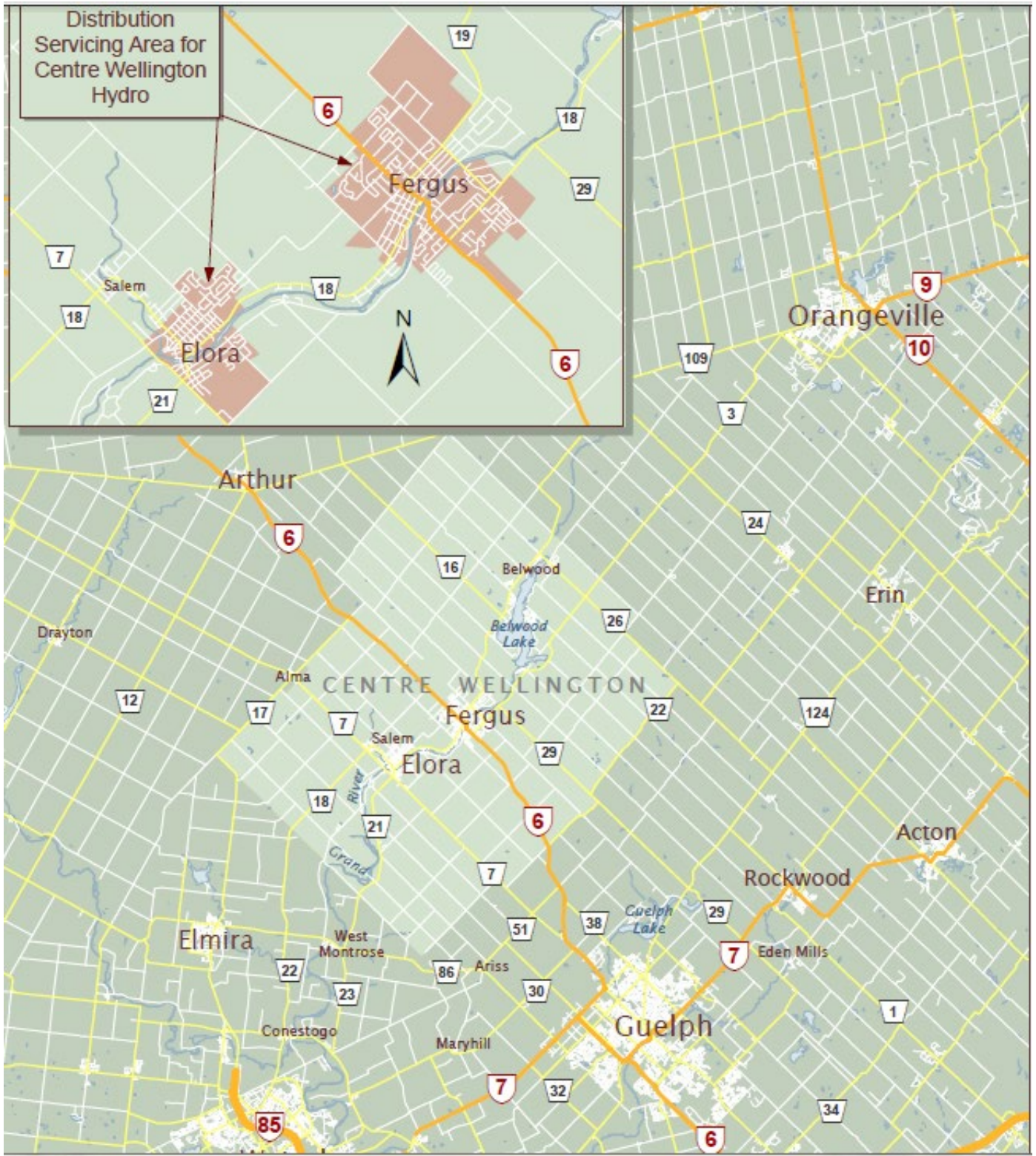
Wayne Dyce  
President  
Centre Wellington Hydro Ltd.

Dated: October 17, 2022

## ATTACHMENT 1



## ATTACHMENT 2



ATTACHMENT 3



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

Joanne Richardson  
Director, Major Projects and  
Partnerships  
T 416.345.5393  
C 416.902.4326

Joanne.Richardson@HydroOne.com

BY EMAIL

October 14, 2022

Centre Wellington Hydro Ltd  
c/o Wayne Dyce  
President/Secretary  
730 Gartshore St. P.O. Box 217  
Fergus, ON  
N1M 2W8

Dear Mr. Dyce,

**Centre Wellington Hydro 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 Centre Wellington Hydro Ltd. ("CWH") Distribution Licence as proposed in CWH's service area amendment ("SAA") application. The intent of the application is to amend CWH's distribution licence to include the property legally described as follows in the SAA application:

Centre Wellington Business Park: Dickson Drive extension, East Part of Lot 9, Concession 1, Township of West Garafraxa.

Hydro One also supports CWH's request to proceed with this SAA without a hearing. If you have any questions or concerns, please contact Mark Ciufu at [Mark.Ciufu@HydroOne.com](mailto:Mark.Ciufu@HydroOne.com) or alternatively, via telephone, at 647-518-0494.

Sincerely,

A handwritten signature in black ink, appearing to read "Joanne Richardson", written in a cursive style.

Joanne Richardson

cc. Dhaval Patel, Hydro One Networks Inc.

## ATTACHMENT 4



Centre Wellington

March 24, 2022

*Shevaughne Wynter  
Transmission Account Executive  
Hydro One*

*Aarani Pathmanathan  
Sr. Network Management Officer  
Hydro One*

*Re: Township of Centre Wellington (TCW) Dickson Drive extension for new Business Park electrical servicing.*

*The Township of Centre Wellington is currently designing the extension of a municipal street (Dickson Drive) for the purpose of developing a Business Park. All zoning has been approved and the TCW plans to start civil work for the roadway in 2022 and have all servicing infrastructure in place for building in 2023.*

*As Centre Wellington Hydro (CWH) already services all other customers on the existing Dickson Drive and area businesses, the TCW's preference is to have CWH service the new customers along the same street extension.*

*The Township of Centre Wellington, as the owner and developer of the land, hereby requests that Centre Wellington Hydro service the said land, and consents and supports CWH in applying for a Service Area Amendment for the development to the Ontario Energy Board. The TCW respectfully requests Hydro One consent to a Service Area Amendment application by CWH to the OEB for this development.*

Yours truly,

A handwritten signature in black ink that reads "Brett Salmon".

Brett Salmon, MCIP, RPP  
Managing Director of Planning and Development