

October 28, 2022

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

RE: Application for Service Area Amendment

Dear Ms. Marconi:

Niagara Peninsula Energy Inc. ("NPEI") hereby submits the following Service Area Amendment ("SAA") Application. By way of this application, NPEI seeks Ontario Energy Board ("Board") approval to amend Schedule 1 of its Distribution Licence (ED-2007-0749).

NPEI has submitted a pdf version of the application, including all Exhibits, via the Board's Regulatory Electronic Submission System ("RESS"). In accordance with the Board's Digitization Program Announcement, issued on June 23, 2020, NPEI has not provided hard copies.

If there are any questions, please contact Paul Blythin at (905) 356-2681 ext. 6064, or Paul.Blythin@npei.ca.

Yours truly,
NIAGARA PENINSULA ENERGY INC.



Paul Blythin, CPA, CGA
Director of Regulatory Affairs

Cc: Suzanne Wilson, Chief Operating Officer, NPEI
Shanon Wilson, Senior VP Asset Management, NPEI
Jim Sorley, Director of Engineering Services, NPEI
Mark Ciufo, Regulatory Analyst, Hydro One
Dhaval Patel, Senior Network Management Officer, Hydro One

Table of Contents

List of Exhibits	1
7.0 Introduction	2
7.1 Basic Facts	4
7.2 Efficient Rationalization of the Distribution System	7
7.3 Impacts Arising from the Proposed Amendment.	9
7.4 Customer Preference	10
7.5 Additional Information Requirements for Contested Applications	10
EXHIBIT 1 Map of Border of Applicant and Incumbent Service Area, Proposed & Existing Facilities Supplying the Area and Proposed Connection	11
EXHIBIT 2 Map of Geographical Features Surrounding the Area	13
EXHIBIT 3 Map of Summerside Villages Subdivision	15
EXHIBIT 4 Developer Support Letter	17
EXHIBIT 5 Hydro One Consent Letter	19

List of Exhibits

1. Map of Border of Applicant and Incumbent Service Area, Proposed & Existing Facilities Supplying the Area and Proposed Connection
2. Map of Geographical Features Surrounding the Area
3. Map of Summerside Villages Subdivision
4. Developer Support Letter
5. Hydro One Consent Letter

7.0 Introduction

Niagara Peninsula Energy Inc. (“NPEI”) is making this application (the “Application”) to the Ontario Energy Board (“OEB” or “Board”) pursuant to Section 74(1) of the Ontario Energy Board Act, 1998 for the purpose of amending the licensed service area of NPEI as described in Schedule 1 of its Distribution Licence ED-2007-0749 (the “Service Area”) to include the Summerside Villages Subdivision in the Town of Pelham (the “Subject Area”), owned by Hummel Properties.

The Subject Area is partially within the service territory of Hydro One Networks Inc. (“Hydro One”), and partially within NPEI’s service area, as currently defined in Schedule 1 of Licence ED-2007-0749. The Subject Area is owned by Hummel Properties (the “Developer”), located in the Town of Pelham, and is designated for residential development.

The Subject Area is shown in Exhibit 1 and Exhibit 3. The Subject Area is described as:

PART OF LOT 167, PART OF LOTS 17, 18 & 19, REGISTERED PLAN NO. 717, TOWN OF PELHAM

For the reasons set out herein, it is in the public interest to amend Schedule 1 of NPEI’s electricity distribution licence, to add the above Subject Area under Section 5 of Schedule 1 of the licence.

In considering this application, NPEI 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 Applications*, 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 NPEI as the distributor for the Subject Area. A copy of the letter of support has been included in Exhibit 4.

Hydro One has agreed to consent to this Application and the required expansion of NPEI’s service territory to service the Subject Area. A copy of the letter of consent is included in Exhibit 5. Given the manner in which Schedule 1 of Hydro One’s distribution licence is presented, it would not need to be amended if this SAA application is approved.

NPEI 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 affected in a material way by the outcome of this Application other than NPEI, Hydro One (who has consented) and the Developer (who supports the Application).

7.1 Basic Facts

7.1.1 Contact Information

The contact information for all affected parties is listed below.

a) Applicant:

- 1) Shanon Wilson, Senior Vice-President, Asset Management
Niagara Peninsula Energy Inc.
7447 Pin Oak Drive
Niagara Falls ON L2E 6S9
Telephone: 905-356-2681 ext. 6015
Email address: Shanon.Wilson@npei.ca

- 2) Jim Sorley, Director of Engineering Services
Niagara Peninsula Energy Inc.
7447 Pin Oak Drive
Niagara Falls ON L2E 6S9
Telephone: 905-356-2681 ext. 6224
Email address: Jim.Sorley@npei.ca

- 3) Paul Blythin, Director of Regulatory Affairs
Niagara Peninsula Energy Inc.
7447 Pin Oak Drive
Niagara Falls ON L2E 6S9
Telephone: 905-356-2681 ext. 6064
Email address: Paul.Blythin@npei.ca

b) The Incumbent Distributor:

Mark Ciufo, Regulatory Analyst
Hydro One Networks Inc.
483 Bay Street, South Tower, 7th floor
Toronto, Ontario M5G 2P5
Telephone: 416-345-5905
Email: regulatory@hydroone.com

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

Jennifer Vida, Director of Development & Project Administrator
Hummel Properties
P.O. Box 612,
St. Davids, ON L0S 1P0
Telephone: 905-262-0346
Email address: jennifer@hummelproperties.net

d) Alternate Distributors

None

e) Developer Representative

Henry Marfisi
RTG Systems Inc.
3518 Mainway Drive, Suite 201
Burlington, ON L7M 1A8

7.1.2 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 NPEI service the Subject Area (see Exhibit 4).
2. The proposed Service Area Amendment ("SAA") is consistent with the objective of a rational and efficient service area alignment based on both economic and engineering efficiency.
3. NPEI has infrastructure within close proximity 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. Following discussions between the two distributors, the parties concluded that Hydro One's costs to service the property are greater than NPEI's and Hydro One agreed to consent to this SAA application (see Exhibit 5).
4. NPEI's 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 NPEI's Service Area will be seamless. The Subject Area is already partially within NPEI's Service Area, and is adjacent to existing developments within NPEI's Service Area.

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

7.1.3 Description of Proposed Service Area

The Subject Area is generally referred to as Summerside Villages Subdivision and consists of 70 single-detached services.

The legal description of the Subject Area is:

PART OF LOT 167, PART OF LOTS 17, 18 & 19, REGISTERED PLAN NO. 717, TOWN OF PELHAM

7.1.4 Maps and Diagrams of Proposed Service Area

The following maps, diagrams and pictures are attached:

Exhibit 1 – Map of Border of Applicant and Incumbent Service Area, Proposed and Existing Facilities Supplying the Area, and Proposed Connection

Exhibit 2 – Map of Geographical Features Surrounding the Area

Exhibit 3 – Map of Summerside Villages Subdivision

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

7.1.5 Description of Proposed Physical Connection

The Subject Area consists of 70 single-detached services.

The Subject Area will be supplied by connecting to NPEI's existing single-phase line along Port Robinson Road.

The existing and proposed infrastructures are shown in Exhibit 1.

7.1.6 Future Expansions in Adjacent Lands

At this time, NPEI has no plans for similar expansions in lands adjacent to the Subject Area.

7.2 Efficient Rationalization of the Distribution System

The proposed SAA will result in a rational and efficient service area and optimize the use of existing distribution assets.

7.2.1a) Location of the Points of Delivery and Connection

As noted above, the Subject Area is partially within NPEI's Service Area.

Exhibit 1 shows NPEI's existing single-phase line along Port Robinson Road.

NPEI understands that Hydro One would supply this development by extending its existing distribution system along Port Robinson Road.

7.2.1b) Proximity to the Distribution System

NPEI currently services lands adjacent to and abutting the proposed subdivision, as noted in Exhibit 1. Hydro One assets are also located on Port Robinson Road.

7.2.1c) Fully Allocated Connection Costs

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

7.2.1d) Capital Contribution

Based on a joint assessment of the subject area and associated development plans, Hydro One has consented to the proposed Service Area Amendment. As such, NPEI respectfully submits that it is not necessary to provide the capital contribution amount required from the customer.

7.2.1e) Stranded Equipment Costs

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

7.2.1f) 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 NPEI's distribution system.

7.2.1g) Cost Effectiveness of Future Expansions

The infrastructure proposed by NPEI will adequately supply the proposed 70 services.

7.2.1h) Cost Effectiveness of Improvements and Upgrades

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

7.3 Impacts Arising from the Proposed Amendment

7.3.1 Affected Customers and Land Owners

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

7.3.2 Customer Impacts Within Subject Area

Not applicable. There are currently no connected customers within the subject area.

7.3.3 Customer Impacts Outside Subject Area

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

7.3.4 Distributor Impacts

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

Approval of this SAA will not result in any negative impact on Hydro One's costs, service quality or reliability

7.3.5 Stranded and Redundant Assets

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

7.3.6 Transferred Assets

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

7.3.7 Transferred Customers

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

7.3.8 Eliminated Load Transfers or Retail Points

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

7.3.9 New Load Transfers or Retail Points

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

7.3.10 Written Confirmation of Full Disclosure

NPEI confirms that all affected parties have been provided with specific and factual information about the proposed SAA. Hydro One's consent letter (Exhibit 5), demonstrates communication between NPEI and Hydro One.

7.3.11 Consent of Incumbent Distributor

Hydro One has consented to this SAA, and a copy of the letter of consent is attached as Exhibit 5.

7.3.12 Consent of Developer

The Developer has provided their consent via a letter of support attached as Exhibit 4.

7.3.13 Mitigation Efforts Related to Customers and Asset Transfer

No customers or assets will be transferred as a result of this SAA, and therefore no mitigation for existing customers is required.

7.4 Customer Preference

The Developer has indicated their preference to have NPEI supply this Development, as noted in their letter of support attached as Exhibit 4.

7.5 Additional Information Requirements for Contested Applications

The Developer has indicated their preference to have NPEI supply this Development, as noted in their letter of support attached as Exhibit 4. Hydro One has consented to this SAA, and a copy of the letter of consent is attached as Exhibit 5. Accordingly, as the application is not contested, none of the items listed under Section 7.5 of the Filing Requirements are required.

ALL OF WHICH IS RESPECTFULLY SUBMITTED.

EXHIBIT 1

Map of Border of Applicant and Incumbent
Service Area, Proposed & Existing Facilities
Supplying the Area and Proposed
Connection

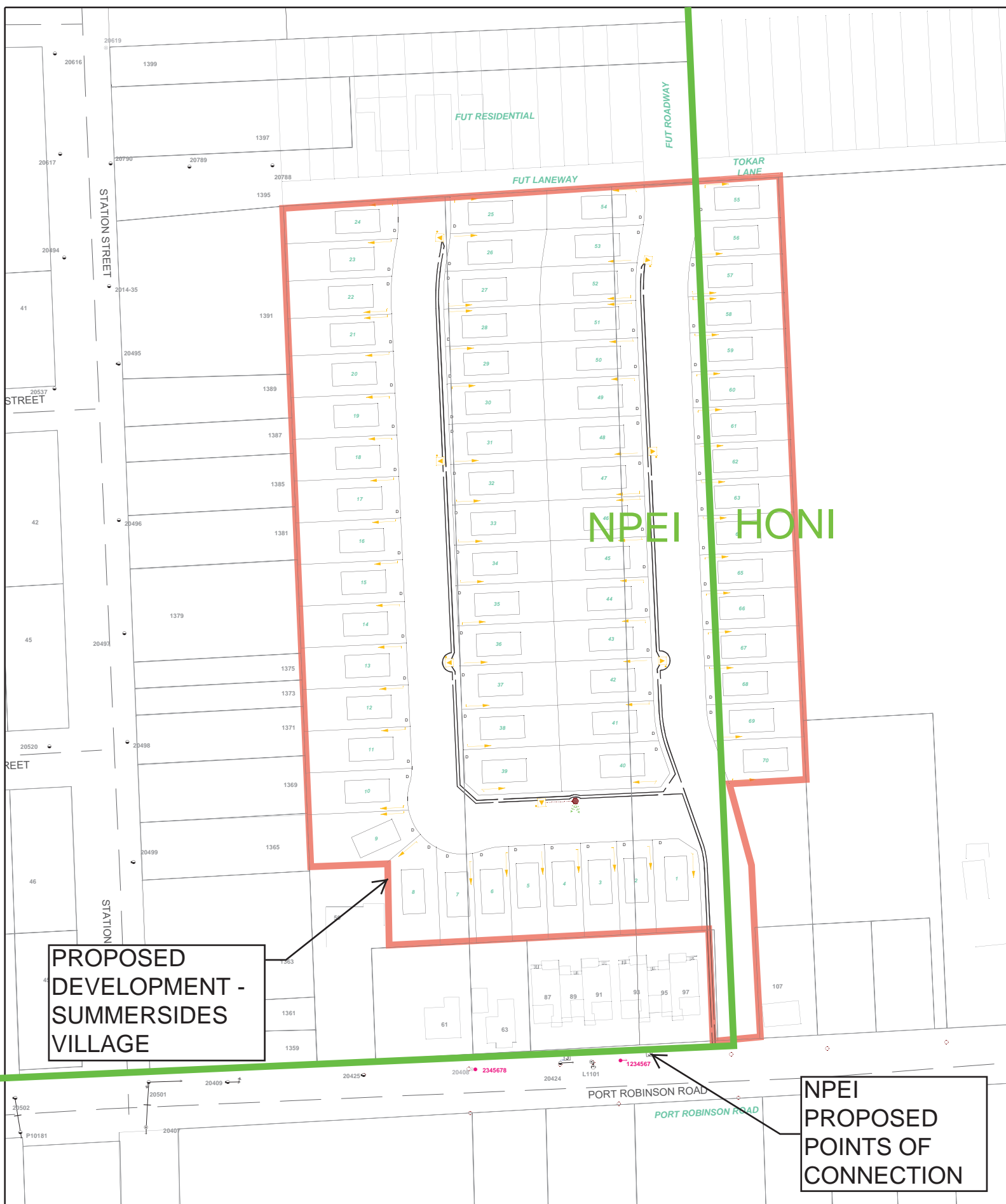


EXHIBIT 2

Map of Geographical Features Surrounding the Area



EXHIBIT 3

Map of Summerside Villages Subdivision



PROPOSED DRAFT PLAN OF SUBDIVISION



*Pdf plans available for viewing on the Town of Pelham website at:
<https://www.pelham.ca/en/news>

EXHIBIT 4

Developer Support Letter

HUMMEL

PROPERTIES

329 Four Mile Creek Rd, Unit 333
St. Davids, Ontario
L0S 1P0
905-262-0346

October 4, 2022

Niagara Peninsula Energy Inc.
7447 Pin Oak Drive
Niagara Falls ON L2E 6S9

Attn: Shanon Wilson, Senior Vice-President, Asset Management

Re: Summerside Villages Subdivision

Dear Mr. Wilson:

We are the developers of the residential subdivision known as Summerside Villages, located in the Town of Pelham. It is our understanding that Niagara Peninsula Energy Inc. ("NPEI") has received Hydro One Network Inc.'s consent to be the electricity distributor for the Summerside Villages Subdivision.

It is our preference to have NPEI as the distributor for this subdivision. The new development is partially within the area already serviced by NPEI, and it would be logical for NPEI to extend their electrical system to connect these new customers.

Please contact me if you have any questions.

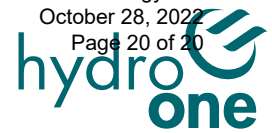
Yours truly,

Rainer Hummel



EXHIBIT 5

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

416.902.4326

Joanne.Richardson@HydroOne.com

BY EMAIL

October 27, 2022

Niagara Peninsula Energy Inc.
c/o Shanon Wilson
Senior Vice-President, Asset Management
7447 Pin Oak Drive
Niagara Falls, ON
L2E 6S9

Dear Ms. Wilson,

Niagara Peninsula Energy Inc. Application for a Service Area Amendment – Hydro One Networks Inc.'s Consent Letter

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

Summerside Villages Subdivision, Town of Pelham:

- PART OF LOT 167
- PART OF LOTS 17, 18 & 19
- REGISTERED PLAN NO. 717

Hydro One also supports NPEI'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 or alternatively, via telephone, at 416-345-5905.

Sincerely,

A handwritten signature in black ink, appearing to read "Joanne Richardson", written over a light blue horizontal line.

Joanne Richardson

cc. Dhaval Patel, Hydro One Networks Inc.