

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 AND RESS

May 18, 2023

Ms. Nancy Marconi
Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Marconi,

Hydro One Networks' Request for Leave to Sell Distribution Assets to Kirkland Lake Gold Ltd.

Hydro One Networks seeks the Board's approval under Section 86(1)(b) of the Ontario Energy Board Act ("the Act"), for leave to sell a 7 span of 44 kV Hydro One primary line from Kirkland Lake TS feeder M61. Given that the proposed sale has no material effect on any other party, we ask that the Board dispose of this proceeding without a hearing under Section 21(4)(b) of the Act.

An electronic copy has been submitted using the Board's Regulatory Electronic Submission System.

Should you have any questions on this application, please contact Mark Ciufo at (416) 345-5905 or via email at Mark.Ciufo@HydroOne.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Joanne Richardson", with a stylized flourish at the end.

Joanne Richardson



Application Form for Applications Under Section 86(1)(b) of the *Ontario Energy Board Act, 1998*

Application Instructions

1. Purpose of This Form

This form is to be used by parties applying under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (the "Act"). Please note that the Board may require information that is additional or supplementary to the information filed in this form and that the filing of the form does not preclude the applicant from filing additional or supplementary information.

2. Completion Instructions

This form is in a writeable PDF. The applicant must either:

- type answers to all questions, print two copies, and sign both copies; or
- print a copy of the form, clearly print answers to all questions, make a copy, and sign both copies.

Please send both copies of the completed form and two copies of any attachments to:

Board Secretary
Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4

If you have any questions regarding the completion of this application, please contact the Market Operations Hotline by telephone at 416-440-7604 or 1-888-632-6273 or email at market.operations@oeb.gov.on.ca.

The Board's "Performance Standards for Processing Applications" are indicated on the "Corporate Information and Reports" section of the Board's website at www.oeb.gov.on.ca. Applicants are encouraged to consider the timelines required to process applications to avoid submitting applications too late. If the submitted application is incomplete, it may be returned by the Board or there may be a delay in processing the application.

PART I: IDENTIFICATION OF PARTIES

1.1 Name of Applicant

Legal name of the applicant:	Hydro One Networks Inc.
Name of Primary Contact:	Mark Ciufo
Title/Position:	Regulatory Analyst
Address of Head Office:	483 Bay St., Toronto, ON, M5G 2P5
Phone:	416-345-5905
Fax:	416-345-5866
Email:	Regulatory@HydroOne.com

1.2 Other Party to the Transaction (If more than one attach a list)

Name of other party:	Kirkland Lake Gold Ltd.
Name of Primary Contact:	Wayne McChristie
Title/Position:	Energy Manager
Address of Head Office:	200 Bay Street, 2800, Toronto, ON M5J 2J1, Canada
Phone:	1-705-567-5208
Email :	Wayne.McChristie@agnicoeagle.com

1.3 If the proposed recipient is not a licensed distributor or transmitter, is it a distributor or transmitter that is exempted from the requirement to hold a distribution or transmission licence?

- ☐ Yes
☒ No

PART II: DESCRIPTION OF ASSETS TO BE TRANSFERRED

2.1 Please provide a description of the assets that are the subject of the proposed transaction.

The assets subject to this sale consist of a 7 span of 44 kV Hydro One primary line from Kirkland Lake TS feeder M61. The subject assets are tapped from the main Hydro One 44kV feeder to facilitate connection to Kirkland Lake Gold Ltd's Macassa Shaft # 2 CTS. The sale will include a total of 7-spans of distribution line, associated 8 wooden structures and conductors. The intention of the sale is to allow for Kirkland Lake Gold to feed their facility from these assets once they switch over to a different plant supply. The assets were originally put into service in 1994.

2.2 Please indicate where the assets are located – whether in the applicant's service area or in the proposed recipient's service area (if applicable). Please include a map of the location.

The assets are located on the customer's property at 1350 Government Road West, Kirkland Lake, ON.

See Attachment 1

2.3 Are the assets surplus to the applicant's needs?

- ☐ Yes
☒ No

If yes, please indicate why the assets are surplus and when they became surplus.

2.4 Are the assets useful to the proposed recipient or any other party in serving the public?

- ☐ Yes
☒ No

If yes, please indicate why.

2.5 Please identify which utility's customers are currently served by the assets.

The assets are currently being used to provide the 44 kV supply to the Kirkland Lake Gold Ltd' CTS. Moving forward, the same customer will use these assets for their own private connection to their Customer Station.

2.6 Please identify which utility's customers will be served by the assets after the transaction and into the foreseeable future.

The customer will remain a Hydro One customer.

PART III: DESCRIPTION OF THE PROPOSED TRANSACTION

3.1 Will the proposed transaction be a sale, lease or other?

- ☒ Sale
☐ Lease
☐ Other

If other, please specify.

3.2 Please attach the details of the consideration (e.g. cash, assets, shares) to be given and received by each of the parties to the proposed transaction.

This is a cash sale. The sale price is \$30,000 plus \$3,900 HST for a total of \$33,900. The sale price represents net book value of the asset.

3.3 Would the proposed transfer impact any other parties (e.g. joint users of poles) including any agreements with third parties?

- ☐ Yes
☒ No

If yes, please explain how.

3.4 Would the proposed transfer impact distribution or transmission rates of the applicant?

- ☐ Yes
☒ No

If yes, please explain how.

3.5 Will the transaction adversely affect the safety, reliability, quality of service, operational flexibility or economic efficiency of the applicant or the proposed recipient?

- ☐ Yes
☒ No

If yes, please explain how.

PART IV: WRITTEN CONSENT/JOINT AGREEMENT

4.1 Please provide the proposed recipient's written consent to the transfer of the assets by attaching:

- (a) a letter from the proposed recipient consenting to the transfer of the assets;
- (b) a letter or proposed sale agreement jointly signed by the applicant and the proposed recipient agreeing to the transfer of the assets; or
- (c) the proposed recipient's signature on the application.

(a) Please see Attachment 2 – Customer Consent Letter

PART V: REQUEST FOR NO HEARING


- 5.1 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 or licence holder, will be adversely affected in a material way by the outcome of the proceeding; and
 - (b) the proposed recipient's written consent to dispose of the application without a hearing.
- Yes, the applicant requests that this application be determined without a hearing.
- (a) The assets subject to this sale are on the customer's property and are used only to facilitate connection to the Customer Station owned by the Kirkland Lake Gold Ltd. No other persons will be impacted by this sale other than the customer and Hydro One.
 - (b) Please see Attachment 2 – Customer Consent Letter

PART VI: OTHER INFORMATION

- 6.1 Please provide the Board with any other information that is relevant to the application. When providing this additional information, please have due regard to the Board's objectives in relation to electricity.
- N/A

PART VII: CERTIFICATION AND ACKNOWLEDGMENT STATEMENT

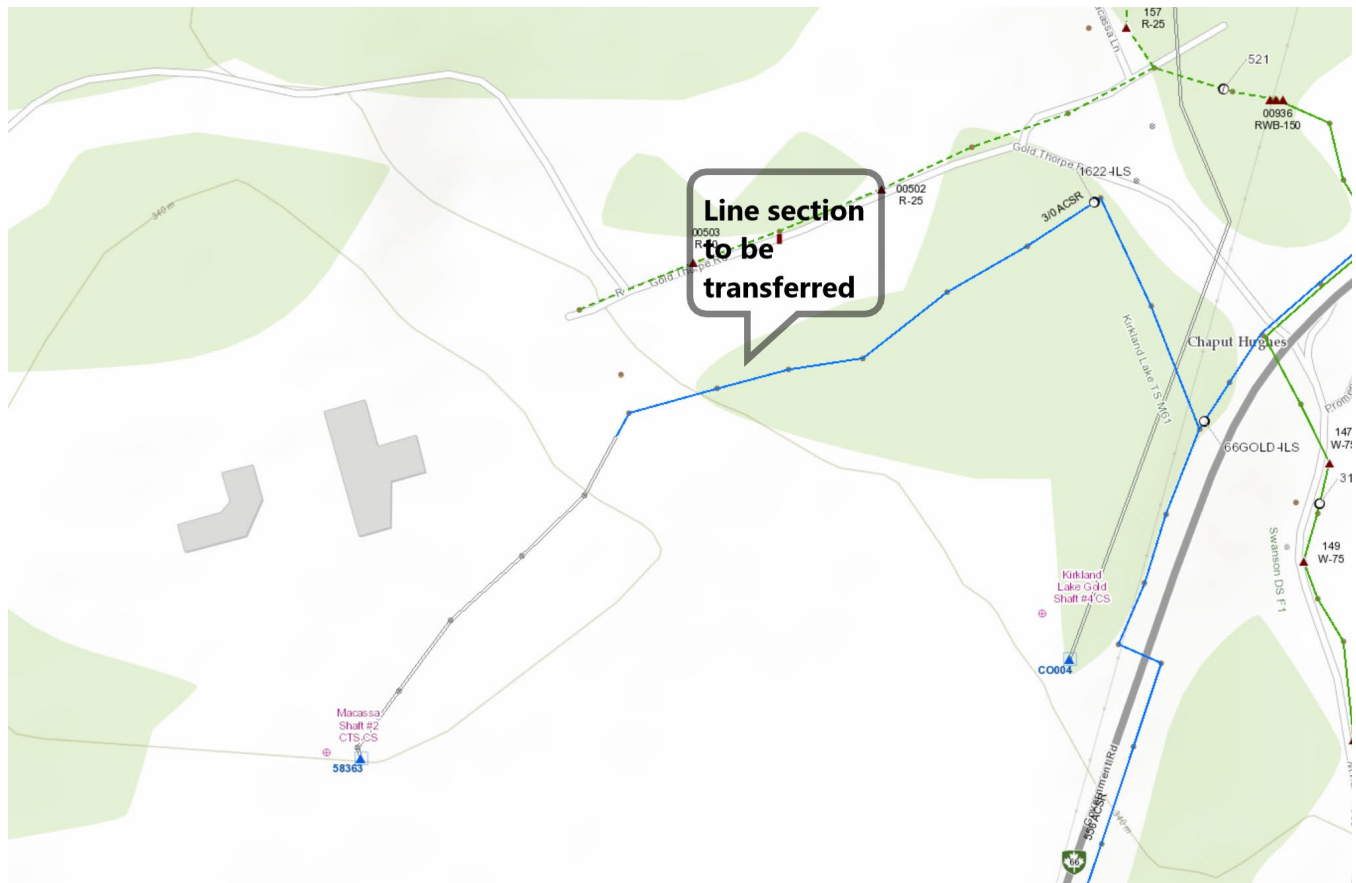
- 7.1 Certification and Acknowledgment
I certify that the information contained in this application and in the documents provided are true and accurate.

Signature of Key Individual 	Print Name of Key Individual Joanne Richardson	Title/Position Director Major Projects & Partnerships – Regulatory Affairs
	Date May 18, 2023	Company Hydro One Networks Inc.

(Must be signed by a key individual. A key individual is one that is responsible for executing the following functions for the applicant: matters related to regulatory requirements and conduct, financial matters and technical matters. These key individuals may include the chief executive officer, the chief financial officer, other officers, directors or proprietors.)

ATTACHMENT 1

Map of Assets



ATTACHMENT 2

Customer Consent Letter

Hydro One Networks Inc.
420 Welham Road
Barrie, ON L4N 8Z2

Aaron Rimmer, LEL
Account Executive
Cell: +1-705-719-5738



November 29, 2022

Wayne McChristie
Energy Manager
Kirkland Lake Gold Ltd.
200 Bay Street, 2800,
Toronto, Ontario, M5J 2J1

Attention: Wayne McChristie

Re: Sale of Asset – A Portion of the 44kV line from Kirkland Lake TS Feeder M61 and Associated Assets

This letter is to confirm Hydro One Networks Inc.'s ("Hydro One") agreement to sell 7 spans of 44kV primary line from Kirkland Lake TS feeder M61 and the associated 8 wooden structures and conductors to Kirkland Lake Gold Ltd. for \$30,000 plus HST conditional to the OEB's approval. This also confirms that Kirkland Lake Gold Ltd. supports Hydro One to proceed with the Section 86(1)(b) application without a hearing.

The asset will be sold, following the OEB's approval, on an "as is, where is" basis, pursuant to Hydro One's standard asset purchase and sale agreement. The asset sold in this transaction are found in Attachment 1.

If you agree with these conditions of sale, please sign, and return this letter at your earliest convenience. On receipt of this signed letter of consent and indemnity, we will proceed to obtain formal approval to sell these assets to Kirkland Lake Gold Ltd.

Thank you for your assistance in this matter.

Yours truly,

Original Signed By Aaron Rimmer

Aaron Rimmer

Hydro One Networks Inc.
420 Welham Road
Barrie, ON L4N 8Z2

Aaron Rimmer, LEL
Account Executive
Cell: +1-705-719-5738



Account Executive

Re: Sale of Asset – A Portion of the 44kV line from Kirkland Lake TS Feeder M61 and Associated Assets

Acknowledgement

I, Wayne McChristie, Kirkland Lake Gold Ltd., agree with consent, terms and conditions set out in this letter regarding the purchase of 7 spans of 44kV primary line from Kirkland Lake TS feeder M61 and the associated 8 wooden structures and conductors for a cost of \$30,000 plus HST.

Original Signed By Wayne McChristie

Name: Wayne McChristie

Title: Energy Manager

I have authority to bind the Corporation

Re: Sale of Asset – A Portion of the 44kV line from Kirkland Lake TS Feeder M61 and Associated Assets

Attachment 1

Asset Detail

- 8 Wood Pole Structures (1994 or 1995 vintage) barcoded: C4X9NB, C4X9PL, C4X9QQ, C4X9RV, C4X9RV, C4X9SA, C4X9TF, C4X9UK, C4X9VP
- 1800m of 3/0 ACSR OH Conductor

