Hydro One Networks Inc.

483 Bay Street, South Tower, 8TH Floor Toronto, Ontario, Canada M5G 2P5

LAW

Monica E. Caceres, Assistant General Counsel Telephone: (647) 505-3341 Fax: (416) 345-6972

E-mail: Monica.Caceres@HydroOne.com



BY EMAIL AND RESS

July 7, 2023

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

Dear Ms. Marconi:

Re: EB-2022-0178 - Entegrus Application for a Service Area Amendment ("Application") - HONI letter – Response for IRR Clarity

Hydro One Networks Inc. (Hydro One) is writing to the OEB to respond to Entegrus Powerlines Inc.'s ("Entegrus") letter to the OEB dated June 30, 2023 (the "June 30 Letter"). In the June 30 Letter, Entegrus formalized a request it made for Hydro One to update information provided by Hydro One in its response to Entegrus Interrogatory #1b. Hydro One's response to that request remains unchanged, namely that Hydro One has answered the questions posed by Entegrus and as such, no update to the interrogatory response is required.

To address Entegrus' arguments, Entegrus Interrogatory #1b reads as follows:

Please describe the remaining open breaker positions not yet built out and any inactive breaker positions at Edgeware TS. Please advise on any allocations or restrictions on the unbuilt or inactive breaker positions.

Hydro One's response to Entegrus Interrogatory #1b reads:

Currently, there are three unbuilt breaker positions at Edgeware TS. These breaker positions are available to any customer on a first-come, first-served basis in accordance with Hydro One's OEB-approved Transmission Connection Procedures ("TCP").

These statements are correct and not inconsistent or contradictory with the evidence on the record of this proceeding or otherwise. Entegrus argues in the June 30 Letter that Hydro One's response is inconsistent and/or contradicted with the fact that applications have been made for breaker positions at Edgeware TS. Entegrus also argues that this clarification is relevant because the SAA Application is premised, in part, on Entegrus' anticipated future growth requirements for St. Thomas, and the role that the M7/M8 feeders play in meeting that St. Thomas growth.

In response, Hydro One provides that simply because applications have been made and are being studied in accordance with the Transmission Connection Procedures (TCP) does not in and of itself, restrict capacity on the breakers nor does it predetermine the conclusion of those studies and/or that the applications will proceed to connection as contemplated in the applications as made. It is common in the utility industry for studies to be undertaken at the request of a customer that ultimately may not be pursued by the requesting customer. This customer behaviour is already evident in this proceeding as highlighted through Hydro One's response to part f) of the same interrogatory. In response to Entegrus' Interrogatory #1f), wherein Entegrus seeks clarification on the status of its request for a breaker position from 2019, Hydro One responded as follows:

A Connection Cost Recovery Agreement with Hydro One Transmission for the breaker position was not executed [by Entegrus] within twenty-four (24) months of completion of the System Impact Assessment completed on December 6, 2019. Consequently, in accordance with the Independent Electricity System Operator's Market Manual 1.4 Section 3.6, the Entegrus application has been deemed withdrawn.

For reference, the IESO Connection Assessment and Approval identification number for the above-referenced IESO System Impact Assessment was CAA ID: 2019-658.

In 2019, Hydro One offered Entegrus 5 MW of capacity on the Feeders which evidence is on the record in this proceeding as documented in the following extract. Entegrus never used that capacity, thus that capacity allocation elapsed without any connection:

Hydro One indicated that 5 MW (from the M8 breaker position) was the maximum capacity that could be allocated to Entegrus from the two dedicated feeders... To date, Entegrus has not utilized any of this capacity.¹

¹ Entegrus Application – Filed October 17, 2022 – p. 19 of 32

To summarize, there are currently three unbuilt breaker positions at Edgeware TS. These breaker positions remain available to any customer on a first-come, first-served basis in accordance with Hydro One's OEB-approved TCP.

Edgeware Transformer Station is a transmission facility. Entegrus, is directly connected to this transmission facility as Entegrus has documented in their prefiled evidence. Entegrus is, therefore, fully aware of the TCP and should not conflate an application request with a defined commitment that restricts other connections; the two are not synonymous.

As part of the June 30 Letter, Entegrus has also requested that Hydro One update Hydro One's response to part c) and d) of the same interrogatory. Similar to part b) Hydro One provides that an update is not required as the questions as asked have been answered.

For instance, at part c) of the Entegrus interrogatory, Entegrus asks:

Please describe the rationale and objective of the current construction activity at Edgeware TS and whether this activity involves building out or modifying any breaker positions, such as the M11/M12.

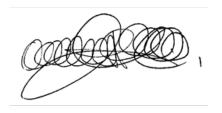
Hydro One has accurately responded that:

Hydro One Transmission is working on a sustainment project to replace an end-of-life protection, control and telecom building for the station.

In brief, any other contemplated works at Edgeware TS are currently in pre-construction phases of the project lifecycle consistent with the submissions of Entegrus and the steps outlined in the TCP, i.e., those works are under development including being studied by the IESO and therefore not currently under construction.

Hydro One therefore maintains that no further clarifications are required to complete the record of this proceeding and requests that the OEB clarify the subsequent steps in this proceeding at its earliest opportunity. Hydro One reserves its right to argue the relevance of the evidence of the availability of transmission capacity advanced by Entegrus in the June 30 Letter to its SAA application via Hydro One's submissions and any other available procedural steps as outlined by the OEB.

Yours truly, **HYDRO ONE NETWORKS INC.**



Monica E. Caceres

Encls.

cc.: OEB counsel, James Sidlofsky

Entegrus Powerlines, Mr. David C. Ferguson (Chief Regulatory Officer & VP of Human Resources)

Applicant counsel, Mr. David Stevens

Formet Industries, Ms. Christine Gallo, Associate General Counsel; Mike Richmond & Adam Chisholm, McMillan LLP