

Ontario | Commission Energy | de l'énergie Board | de l'Ontario

DECISION AND ORDER

EB-2023-0319

Amending the Electricity Transmission Licence of Hydro One Networks Inc. to Require it to Develop and Seek Approvals for New Transmission Lines

BY DELEGATION, BEFORE: Brian Hewson Vice President, Consumer Protection & Industry Performance

November 14, 2023

INTRODUCTION AND SUMMARY

Further to a directive from the Minister of Energy (Minister), the Ontario Energy Board (OEB), of its own motion, is commencing this proceeding to amend the electricity transmission licence¹ of Hydro One Networks Inc. (Hydro One) to require it to develop and seek approvals for three new transmission line projects.

BACKGROUND

Under section 28.6.1 of the *Ontario Energy Board Act, 1998* (Act), the Minister may issue directives to the OEB requiring the OEB to take such steps as are specified in the directive relating to the construction, expansion or reinforcement of transmission systems. Such a directive may, among other things, require the OEB to amend the licence conditions of a transmitter to require the transmitter to take the actions specified in the directive in relation to its transmission system. Such a directive may also specify whether the OEB is to hold a hearing for the purposes of implementing the directive.

The OEB received a <u>directive</u> under section 28.6.1 of the Act (Directive) from the Minister, which was approved by the Lieutenant Governor in Council on October 19, 2023 as Order in Council No. 1532/2023. The Directive requires the OEB to amend Hydro One's electricity transmission licence to require Hydro One to develop and seek approvals for the following three transmission line projects (collectively referred to as the Projects):

- 1. A new 230 kilovolt (kV) transmission line from Mississagi Transformer Station to Third Line Transformer Station, including associated station facility expansions or upgrades required at the terminal stations;
- 2. A new 500 kV transmission line from Mississagi Transformer Station to Hanmer Transformer Station, including associated station facility expansions or upgrades required at the terminal stations; and
- 3. A new 230 kV transmission line from Dobbin Transformer Station to either Cherrywood Transformer Station or Clarington Transformer Station, including associated station facility expansions or upgrades required at the terminal stations.

The Order in Council accompanying the Directive states that it is critical to expand Ontario's transmission system to provide a reliable and adequate supply of electricity to Northeastern and Eastern Ontario to support economic growth and electrification initiatives in the region.

¹ ET-2003-0035

The Directive also requires that the scope and timing for the development of the Projects accord with the recommendations of the IESO, and further directs the OEB to require that Hydro One provide such reporting to the OEB as the OEB may consider appropriate with respect to budget, timing and risks in relation to the development of the Projects.

In accordance with the Directive, the OEB is required to amend Hydro One's electricity transmission licence without a hearing.

This Decision and Order is being issued by Delegated Authority without a hearing.

DECISION

Further to the Directive, the OEB is amending Hydro One's electricity transmission licence to require it to develop and seek approvals for the Projects in accordance with the recommendations of the IESO.

With respect to reporting requirements, as an initial step, the OEB is requiring Hydro One to file a copy of any recommendations received from the IESO related to the scope and timing of the development of the Projects. Further reporting requirements to enable the OEB to monitor Hydro One's progress towards the implementation of the conditions being added to its electricity transmission licence today, including budget and risks, will be addressed at a later date.

IT IS ORDERED THAT:

- 1. Hydro One Networks Inc.'s electricity transmission licence ET-2003-0035 is amended by adding the following new conditions:
 - 19.9.1 The Licensee shall develop and seek approval for the following three transmission line projects:
 - A new 230 kilovolt (kV) transmission line from Mississagi Transformer Station to Third Line Transformer Station, including associated station facility expansions or upgrades required at the terminal stations;
 - A new 500 kV transmission line from Mississagi Transformer Station to Hanmer Transformer Station, including associated station facility expansions or upgrades required at the terminal stations; and

- c) A new 230 kV transmission line from Dobbin Transformer Station to either Cherrywood Transformer Station or Clarington Transformer Station, including associated station facility expansions or upgrades required at the terminal stations.
- 19.9.2 The scope and timing for the development of the projects set out in condition 19.9.1, including the terminal point for the transmission line project listed in c), shall accord with the recommendations of the Independent Electricity System Operator.
- 2. Hydro One Networks Inc. shall, no later than December 20, 2023, file with the OEB a copy of any recommendations received from the Independent Electricity System Operator related to the scope and timing of the development of the projects.

DATED at Toronto, November 14, 2023

ONTARIO ENERGY BOARD

Brian Hewson Vice President, Consumer Protection & Industry Performance