

# Elson Advocacy

March 21, 2024

## **BY EMAIL AND RESS**

**Nancy Marconi**

Registrar

Ontario Energy Board

2300 Yonge Street, Suite 2700, P.O. Box 2319

Toronto, Ontario M4P 1E4

Dear Ms. Marconi:

**Re: Hydro One Networks Inc. (Hydro One)  
Application for Leave to Construct – K4 Reconductoring  
EB-2023-0197**

I am writing on behalf of Environmental Defence to provide submissions in the above-noted application. Hydro One is seeking leave to reconstruct approximately 10 km of transmission line for reliability purposes at a cost of approximately \$14 million. Environmental Defence recommends that the OEB approve the project as proposed.

### **Issue 1: Need**

Hydro One has established the need for the project.

### **Issue 2: Alternatives**

#### **Conductor Size**

Hydro One has conducted a detailed analysis in support of its decision to increase the size of the conductor beyond the minimum size. Environmental Defence commends Hydro One for the significant improvements in this analysis over previous practices. These improvements include an explicit net present value comparison and a calculation of the capacity benefits from reduced losses at the time of system peak.

In future proceedings, Environmental Defence will likely explore some aspects of Hydro One's new approach to calculating the value of transmission loss reductions, including the forecast of peak flows. For the purposes of this proceeding, we are satisfied that Hydro One's analysis and choice of conductor size is reasonable and appropriate.

## Non-Wires Solutions

In future leave to construct proceedings driven by asset condition and reliability, Environmental Defence asks that Hydro One provide evidence on the feasibility and cost-effectiveness of using a storage solution to address reliability concerns and extend the life of the asset. We are not saying that that would necessarily be possible in this particular case as we do not have the evidence in support of or against such a solution. We simply ask that future applications address this possible solution. This kind of exploration is clearly part of issue 2.1 of the Section 92 Leave to Construct Issues List, which reads as follows:

Has the applicant demonstrated that the proposed project is the preferred option to address the need, as opposed to implementing a different transmission solution, a distribution solution, a non-wires solution, or some other solution?

It may well be that the asset condition raises unacceptable safety concerns in addition to reliability concerns such that a storage solution is not feasible. Or that a storage solution would not be cost-effective. However, we simply ask that the option of a storage solution be considered and addressed in application materials in leave to construct proceedings driven by asset condition and reliability in the future.

Yours truly,

A handwritten signature in blue ink, appearing to read 'K. Elson', written over a horizontal line.

Kent Elson