

## **Neighbours on the Line (NOTL)**

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Nancy Marconi  
Registrar  
Ontario Energy Board  
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Toronto, ON M4P 1E4

March 21, 2024

Re: OEB Application #EB -2023-0198

Dear Ms. Marconi,

We are responding to the March 8, 2024<sup>th</sup> reply submissions sent to you from Hydro One Networks Inc.'s law firm, McCarthy Tetrault.

We find a number of statements to be inaccurate.

### **Sections 86 and 90**

These sections appear to be in response to NOTL's repeated request as to why the proposed Waasigan TLP must go through Atikokan.

Section 86 states that NOTL's route is satisfactory because it does not "connect through the Mackenzie Transformer Station in Atikokan".

The 2016 IESO report of the West of Thunder Bay sub-region Integrated Regional Resource Plan from which the IESO's directive was derived, does not specifically say that the proposed Bulk Power Transmission Line needs to connect through Atikokan (Page 37).

"In order to maintain the viability of the transmission option, the IESO has issued a hand-off letter to Hydro One to undertake early development work. To facilitate the development work, Hydro One has been engaging Infrastructure Ontario in exploring ways to ensure that the project is developed and delivered in a cost-effective manner and results in value for Ontario electricity customers. The preliminary scope of the transmission option ("Northwest Bulk Transmission Line Project" 11) consists of a new double -circuit 230 kV line between Thunder Bay and Atikokan and a single-circuit 230 kV line from Atikokan to Dryden. **However, alternate routes may be considered as part of the development work.**"

Section 90 states that Order in Council mandated the Northwest Bulk Transmission Line Project, (OIC), on November 27, 2013. The OIC states that the development of the transmission line focus on the area west of Thunder Bay. It does not state that it must connect through Atikokan.

Hydro One and the IESO have never given a technical reason the Waasigan TLP to connect through Atikokan.

The largest energy requirements identified by the IESO are north of Dryden. This information came from their 2016 report and the update in December 2022 as submitted to the Ontario Energy Board.

We suspect why Hydro One insisting on constructing the Waasigan Transmission Line through Atikokan is to be able to charge the full cost of upgrading the Mackenzie Transformer Station to the Waasigan TL capital project.

The Mackenzie Station has not been maintained properly by Hydro One for the past twenty years in anticipation of covering the upgrade costs under a major capital cost project. The upgrade for existing equipment should be covered by Hydro One Networks Inc.'s maintenance budget which has already been approved by the OEB and currently being paid for by the consumers.

Local workers have informed us that this station is in such poor condition that they do not know if it will "melt down, blow up or burn to the ground."

Bypassing Atikokan would reduce the project cost by 100+ million dollars.

NOTL's proposed line which goes from Thunder Bay directly to Dryden would be shorter, straighter, less costly, have less impact on land and communities and provide room for future expansion.

There is a potential cost reduction of 50+ million dollars.

As ratepayers, NOTL agrees with the OEB that there are potential savings if the Covid costs are not included in the contract price. There would be a cost reduction of up to 144 million dollars.

Hydro One stated that "Time is of the essence." Rushing the approval of this project is not in the best interest of the Hydro One ratepayers of Ontario.

The Waasigan TLP as proposed has too many short falls, a lack of transparency and incomplete and false answers to residents' questions.

Choosing NOTL alternate route would still get the power to the northwest as required with a potential cost reduction of up to three hundred million dollars.

#### **Section 94 "Hydro One is not undertaking a 'telecommunications project'"**

This assertion is contradicted in paragraph #95 by Hydro admitting that they will have to file a different application to the OEB for revenues considered "external revenue". This in no way provides evidence that Hydro One or a third party is not going to undertake a telecommunications project.

In the landowner agreement document, Schedule “C” Transfer and Grant of Easement, Paragraph 1. (a) Hydro One Networks Inc. specifically states it includes telecommunications systems and related business ventures. No where in the agreements is it restricted to their own OPGW fiber for their own protection control scheme purposes.

In the second part of Paragraph #94 Hydro One is claiming it is their standard practice, that landowners who have entered into Early Access Agreements are notified before any and all entry onto their lands and consulted on the specifics of the access/work. However, the actual document is written such that the landowner grants Hydro One Network Inc, the right to enter upon and exit from and to pass and repass at any and all times. (Paragraph 1 (ii)) There are no conditions or terms requiring Hydro to notify, advise or consult the landowners.

### **Sections 96 and 97**

Hydro One is misrepresenting the contractual obligations of these agreements. The terminology of “only where reasonably necessary and at reasonable times” for “entry/exit purposes” described in Hydro's submission is not accurate. The three agreements referred to have explicit language which contradict this statement. For example:

The Early Access Agreement: Paragraph 1 (ii)

“the right to enter upon and exit from, and to pass and repass at any and all times in, over along upon across, and through the Strip and so much of the Lands as may be reasonably necessary.”

The Option Agreement: Paragraph 8 (a) and (b)

“The Owner agrees and consents....entering on, exiting and passing and repassing in, on, over, along, upon, across, through and under the Easement Lands and so much of the Lands as may be reasonably necessary at all reasonable times...”

Grant of Easement: Paragraph 1 (f)

“to enter on and exit by the Transferor's access routes and to pass and repass at all times in, over, along, upon and across the Strip and so much of the Lands as is reasonably required, for the Transferee.....for all purposes necessary or convenient to exercise and enjoyment of this easement.....”

Hydro's submission regarding the Land Acquisition Agreements for the above reasons. Acquisition Agreements is misleading. The actual contracts between Hydro One Networks Inc. and the landowners are different that the assertions by Hydro in their submissions. The documents are crafted to contractually bind the landowners to give up land rights, i.e. access to the Lands and requiring written permission from Hydro to do anything on their own property ( Schedule “C” Transfer and Grant of Easement, Paragraph 1 (f) and 2 (a). On the other hand, the contracts are ambiguous only to the benefit of Hydro One Networks Inc. Terms such as “reasonable” and “necessary” and “convenient” are not defined and only to be interpreted by Hydro One Networks Inc.

## Sections 84 and 85

The evidence is false. Hydro One and we at NOTL have differing views as what is meaningful consultation.

They did not contact any organisations in the unincorporated communities such as Local Services Boards, Local Roads Boards, and Fire Departments until after the major decisions were made.

After performing a search, our legal council has confirmed that the Unincorporated Communities were not included in the Terms of Reference from the very beginning.

### Observations of the process:

1. Hydro One continues to use intimidation tactics with all parties involved : The OEB, MECP, Intervenors, and Property Owners as again demonstrated in their submission of March 8, 2024.
2. Little consideration by the IESO and Hydro One has been put into so many areas in Northwestern Ontario that need power.

For example: The new Greenstone Mine in Geraldton is operating on generators. Why?

The town of Armstrong is also operating on generators.

The numerous mining projects in the Armstrong, Savant Lake and Sioux Lookout areas will also have to run on generators as there is not sufficient power available.

Hydro One should have put power from Northeastern Ontario along Highway 11 to upgrade existing power grids for the development of new mines. They could have followed Highway 11 to Thunder Bay or gone off north of Beardmore and followed the railway across to Dryden. This would have created a feed loop to the northwest.

It appears as though Hydro One and the IESO do not have any sense of what is happening in Northwestern Ontario in regarding power demands.

3. Hydro One is not considering the true values of their First Nations partners in the planning of the Waasigan TLP route. The First Nation partners are being used to further Hydro One's agenda.
4. The Thunder Bay to Dryden route would also form a feed loop which would give a more reliable and secure system. Using the existing power corridor would not.

If there is disruption to power on the lines between Thunder Bay, Atikokan and Dryden without a feed loop it is likely to take out all the power in Northwestern Ontario.

The likelihood of this happening is greater with the proposed twinning of the lines versus constructing a line to the north. Separating the lines would form a feed loop.

Why is the preference to use existing power corridors over constructing new corridors? It appears that Hydro One is just taking the effortless way out.

5. The cost of the destruction to 100-year-old communities, private land that have been in families for generations, 90 km of mining claims, Provincial Parks, and Conservation Reserves is so outrageous.

Once this is taken, it is gone forever. This would be a huge loss to Northwestern Ontario.

Whoever signs off on this project and grants approval to Hydro One's proposed route without considering the alternative route from Thunder Bay to Dryden show that they have no respect for the people Northwestern Ontario.

The first line should never have been put through where it is, and now we are aware there will be more lines in addition to the second proposed line in the future. Only 10% of Northwestern Ontario is private land and Hydro One wants to take that away from the people.

6. The higher the costs incurred on the Waasigan TLP, the higher the profit for Hydro One. Reducing the cost of this project would benefit the ratepayers but not Hydro One. It seems that Hydro One is more concerned about shareholder's profits than doing the right thing for all the people and businesses of Northwestern Ontario.

If the above is not considered a cost by the OEB, then there is no value for Northwestern Ontario for mining, tourism, private land, parks, and communities.

### **Conclusion:**

The Waasigan Transmission Line Project should not be approved in its present form. With a potential cost reduction of up to three hundred million dollars why would you not investigate NOTL's alternative route?

Also, we believe that the OEB should not approve Hydro One Networks Inc.'s Land Acquisition Agreements for the reasons stated above. There are a number of private landowners who will go through the expropriation process just to fight the imposition of the landowner agreement in its present form.

Since Hydro One and the IESO have not demonstrated support for any new or potential projects in Northwestern Ontario, a delay to get this project right is in the best interest of all Ontario.

Neighbours on the Line is not opposed to the Waasigan Transmission Line Project, but we are very opposed to the route that Hydro One has chosen for its construction.

### **Neighbours on the Line (NOTL)**