



Hydro One Networks Inc.

Application for leave to construct a new electricity transmission line from Lambton Transformer Station, connecting Wallaceburg Transformer Station and terminating at Chatham Switching Station in the West of London area

PROCEDURAL ORDER NO. 1 July 31, 2024

Hydro One Networks Inc. (Hydro One) applied to the Ontario Energy Board (OEB) on May 28, 2024, under sections 92, 96.1 and 97 of the *Ontario Energy Board Act*, 1998 (OEB Act), for an order granting leave to construct approximately 64 kilometres of electricity transmission line and associated facilities in the Township of St. Clair, Municipality of Wallaceburg, and the Chatham-Kent areas (Project). The proposed electricity transmission line would extend from Lambton Transformer Station, connecting Wallaceburg Transformer Station and terminating at Chatham Switching Station. This transmission line has been designated as a priority transmission project under section 96.1 of the OEB Act by an Order in Council 876/2022.

Hydro One has also applied to the OEB for approval of the form of land-use agreements it offers to landowners for the routing and construction of the Project.

The OEB issued a Notice of Hearing on June 21, 2024. The following persons and groups applied for intervenor status:

- The Ross Firm Group
- Enbridge Gas Inc (EGI)
- Vector Pipeline Inc. (Vector)
- Siskinds Firm Group
- Kevin Jakubec

The Ross Firm Group and Siskinds Firm Group applied for cost eligibility.

The Ross Firm Group and Siskinds Firm Group

In its intervention request, Ross Firm Professional Corporation (Ross Firm) stated that it has been retained by a number of landowners to represent their interests in the

proceeding. The landowners represented by Ross Firm are collectively referred to as the "Ross Firm Group". According to the intervention request, each of the Ross Firm Group members is directly affected by the Project and, in each instance, Hydro One is proposing a taking of their land in respect of the Project.

In its intervention request, Siskinds LLP (Siskinds) stated that it has been retained to represent several landowners in the area impacted by the project. The landowners represented by Siskinds are collectively referred to as the "Siskinds Firm Group".

Hydro One did not object to the requests for intervention or cost eligibility for either the Ross Firm Group or the Siskinds Firm Group.

The Ross Firm Group is approved as an intervenor and is eligible for cost awards in respect of matters that are within the scope of this proceeding under the OEB's <u>Practice</u> <u>Direction on Cost Awards</u>.

The Siskinds Firm Group is approved as an intervenor and is eligible for cost awards in respect of matters that are within the scope of this proceeding, subject to the exception noted below.

In its intervention request, Siskinds stated that Hydro One is proposing a taking of the land in respect of the property of the "vast majority of the landowners" (emphasis added) represented by Siskinds. It is not clear whether Siskinds is representing any landowner(s) whose property is not directly affected by the Project.

At this time the OEB does not grant cost eligibility to the Siskinds Firm Group in respect of representing the interests of landowners who are not directly affected landowners. Except in exceptional circumstances, the OEB does not grant cost eligibility to individual landowners unless the facilities that are the subject of the application are on their property, or the utility requires access to their property.¹

Siskinds' intervention request does not provide any further information regarding the interests it is representing on behalf of landowner(s) whose property is not directly affected. The OEB will allow Siskinds an opportunity to provide additional information within the scope of the issues in the proceeding on how its members are affected by the Project, or to identify any special circumstances that they wish the OEB to consider in relation to cost award eligibility in respect of representing the interests of members (other than affected landowners). Any such submissions must be filed by August 7, 2024.

¹ <u>EB-2012-0451</u> (Enbridge Gas GTA Expansion, Procedural Order No.1 and Cost Eligibility Decision, April 17, 2013); <u>EB-2022-0140</u> (Hydro One Chatham / Lakeshore, Procedural Order No.1, July 13, 2022); <u>EB-2023-0198</u> (Waasigan LTC, Procedural Order No.1, November 10, 2023)

Enbridge Gas Inc. (EGI) and Vector Pipeline Inc. (Vector)

In their intervention requests, each of EGI and Vector states that the proposed Project crosses and comes close to pipelines and other facilities that each of EGI and Vector has along the proposed route of the transmission line. EGI and Vector each want to ensure that its assets and easements will not be adversely impacted by the Project. Hydro One did not object to EGI's or Vector's intervention requests. EGI and Vector are each approved as an intervenor.

Kevin Jakubec

In his intervention request, Kevin Jakubec states that he is a citizen advocate supported by a scientific advisory team. Mr. Jakubec seeks to intervene in the proceeding to ensure that adequate environmental studies are conducted to protect the local water supply. Mr. Jakubec' intervention request states that he is not seeking costs.

In a <u>letter filed on July 22, 2024</u> by its counsel, Hydro One objected to this intervention request and stated that the environmental issues raised by Mr. Jakubec are beyond the scope of this leave to construct proceeding. Hydro One stated that the intervention request appears to only relate to the consideration of environmental issues without any explanation as to how these issues directly impact price, reliability and the quality of electricity service.

Mr. Jakubec is approved as an intervenor in accordance with the Practice Direction in respect of matters that are within the scope of this proceeding (i.e., the interests of consumers with respect to prices, reliability and quality of electricity service).

The list of parties in this proceeding is attached as Schedule A to this Procedural Order.

Considerations in Awarding Costs

Parties should focus their participation on issues that are within the scope of the OEB's review and should coordinate their participation to avoid duplication.

Cost eligible intervenors should be aware that the OEB will not generally allow the recovery of costs for the attendance of more than one representative of any party unless a compelling reason is provided when cost claims are filed.

Being eligible to apply for recovery of costs is not a guarantee of recovery of any costs claimed. Cost awards are made by way of OEB order at the end of a hearing.

Issues and Interrogatories

At this time, provision is being made for written interrogatories. Parties should not engage in detailed exploration of items that do not appear to be material.

The OEB has established a standard issues list for transmission Leave to Construct applications. The standard issues list is intended to ensure that the OEB's review is focused and aligned with its mandate.

By Order in Council (OIC) dated March 31, 2022, the Lieutenant Governor in Council identified the Project as a priority transmission project under section 96.1 of the *OEB Act*. In accordance with s.96.1(2) of the OEB Act, the OEB is required to accept that construction of the Project is needed. Further, it is a condition of Hydro One's electricity transmission licence to develop and seek approvals related to the Project and that development of the Project accord with the project scope and timing recommended by the Independent Electricity System Operator (IESO).² As such, the standard issues relating to need and the consideration of alternatives to the construction of a transmission line are not applicable in this proceeding.

It should be noted that the Project is subject to an Environmental Assessment conducted by the Ministry of the Environment, Conservation and Parks, and the duty to consult for the Project is led by the Ontario government as part of the Environmental Assessment process. Issues related to the Environmental Assessment process are not reviewed by the OEB except to the extent that they are relevant to the OEB's consideration of price, reliability and quality of service. As indicated in the OEB Filing Requirements, it is a standard condition of any approval granted under section 92 of the OEB Act that the applicant obtain all necessary approvals, permits, licences, certificates, agreements and rights required to construct, operate and maintain the project.

The issues that the OEB will consider in this proceeding are listed in Schedule B to this Procedural Order, subject to such amendments as the OEB considers necessary as the proceeding progresses.

In making its decision on cost awards, the OEB will consider whether intervenors made reasonable efforts to ensure that their participation in the hearing was focused on material issues that are within scope.

² These conditions were added to Hydro One's licence by Decision and Order dated April 6, 2022 (EB-2022-0309) further to a Ministerial Directive received by the OEB on April 4, 2022.

Parties should consult sections 26 and 27 of the OEB's <u>Rules of Practice and Procedure</u> regarding required naming and numbering conventions and other matters related to interrogatories.

Other Intervenor Requests

Intervenor Evidence

The Ross Firm Group indicated in its intervention request that it intends to submit expert evidence in response to evidence advanced by Hydro One. Siskinds Firm Group also stated in its intervention request that it intends to file evidence in the hearing "as it relates to the need for the project as balanced with the public interest".

In its July 17, 2024 letter, Hydro One suggested that it would first be helpful for the OEB and parties to understand the relevance, nature and scope of the (intervenor) evidence and that doing so would ensure the scope of evidence proposed has been reasonably demonstrated to assist the OEB in its consideration of the application and well before costs are incurred and claims are submitted.

The OEB agrees that the Ross Firm Group and the Siskinds Firm Group should provide a more detailed description of any evidence proposed to be filed, including the nature of its proposed evidence, and how it is relevant to the issues list. If these intervenors plan to seek cost recovery for their evidence, they must describe the estimated cost and any assumptions regarding any impacts on procedural steps or incremental time that would be spent in relation to the evidence. This will enable the OEB to determine whether the proposed evidence is relevant and material to this proceeding.

Hearing Type

The Siskinds Firm Group, the Ross Firm Group, and Kevin Jakubec each requested an oral hearing as part of their intervention requests. They stated that given the complex nature of Hydro One's evidence and the need for a thorough examination and response by affected parties, an oral hearing is essential to ensure fair and meaningful participation.

The OEB will make its determination on the type of hearing at a later date.

It is necessary to make provision for the following matters related to this proceeding. Further procedural orders may be issued by the OEB.

IT IS THEREFORE ORDERED THAT:

- 1. Each of the Ross Firm Group and the Siskinds Firm Group shall file a detailed description of any evidence they each intend to submit and the proposed timing for the filing of such evidence by **August 7**, **2024**.
- 2. Any party wishing to file a submission on the relevance of the evidence proposed by the Ross Firm Group, or the Siskinds Firm Group shall file its written submission with the OEB by **August 14, 2024**.
- 3. Intervenors and OEB staff shall request any relevant information and documentation from Hydro One that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on Hydro One by **August 20, 2024**.
- 4. Hydro One shall file with the OEB complete written responses to all interrogatories and serve them on all parties by **September 4, 2024**.

Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **do not include personal information** (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's Rules of Practice and Procedure.

Please quote file number, **EB-2024-0155** for all materials filed and submit them in searchable/unrestricted PDF format with a digital signature through the <u>OEB's online</u> filing portal.

- Filings should clearly state the sender's name, postal address, telephone number and e-mail address.
- Please use the document naming conventions and document submission standards outlined in the <u>Regulatory Electronic Submission System (RESS)</u> <u>Document Guidelines</u> found at the <u>File documents online page</u> on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet <u>set up an account</u>, or require assistance using the online filing portal can contact <u>registrar@oeb.ca</u> for assistance.

All communications should be directed to the attention of the Registrar and be received by end of business, 4:45 p.m., on the required date.

With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Muhammad Yunus at Muhammad.Yunus@oeb.ca and OEB Counsel, Ljuba Djurdjevic at Ljuba.Djurdjevic@oeb.ca.

Email: registrar@oeb.ca

Tel: 1-877-632-2727 (Toll free)

DATED at Toronto, July 31, 2024

ONTARIO ENERGY BOARD

By delegation, before: Nancy Marconi

Nancy Marconi Registrar

Schedule A

Hydro One Networks Inc.

EB-2024-0155

Applicant and List of Intervenors

Hydro One Networks Inc. EB-2024-0155

APPLICANT & LIST OF INTERVENORS

July 31, 2024

APPLICANT

Rep. and Contact Information for Service

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Hydro One Networks Inc. EB-2024-0155

APPLICANT & LIST OF INTERVENORS

July 31, 2024

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Independent Participant

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Schedule B

Hydro One Networks Inc.

EB-2024-0155

Standard Issues List

Schedule B: Issues List

1. Prices: Project Cost

- 1.1. Has the applicant provided sufficient information to demonstrate that the estimates of the project cost are reasonable? Are comparable projects selected by the applicant (as required by the filing requirements) sufficient and appropriate proxies for the proposed project?
- 1.2. Has the applicant adequately identified and described any risks associated with the proposed project? Is the proposed contingency budget appropriate and consistent with these identified risks?
- 1.3. If the applicant has requested that deferral accounts be established, has the applicant adequately demonstrated that the eligibility criteria of Causation, Materiality, and Prudence have been met?

2. Prices: Customer Impacts

- 2.1. Has the applicant correctly determined the need for and the amount of any capital contributions that are required for the project?
- 2.2. Are the projected transmission rate impacts that will result from the project reasonable given the need(s) it satisfies and the benefit(s) it provides?

3. Reliability and Quality of Electricity Service

- 3.1. Has the applicant established that the project will maintain or improve reliability?
- 3.2. Has the applicant provided a final System Impact Assessment (SIA)? Does the final SIA conclude that the project will not have a material adverse impact on the reliability of the integrated power system?
- 3.3. Has the applicant provided a final Customer Impact Assessment (CIA)? Does the final CIA conclude that the project will not have an adverse impact on customers, with respect to reliability and quality of electricity service?

4. Route Map and Form of Landowner Agreements

4.1. Are any proposed forms of landowner agreements under section 97 of the OEB Act appropriate and consistent with OEB requirements?

4.2. Does the route map provided pursuant to section 94 of the OEB Act show the general location of the proposed project and the municipalities, highways, railways, utility lines and navigable waters through, under, over, upon or across which the proposed project is to pass.

5. Conditions of Approval

5.1. The OEB's standard conditions of approval are attached as Attachment 1. If the OEB approves the proposed project, what additional or revised conditions, if any, are appropriate?

Attachment 1:

Standard Conditions of Approval for Electricity Leave to Construct Applications

- 1. [The Applicant] shall fulfill any requirements of the SIA and the CIA, and shall obtain all necessary approvals, permits, licences, certificates, agreements and rights required to construct, operate and maintain the project.
- 2. Unless otherwise ordered by the OEB, authorization for leave to construct shall terminate 12 months from the date of the Decision and Order, unless construction has commenced prior to that date.
- 3. [The Applicant] shall advise the OEB of any proposed material change in the project, including but not limited to changes in: the proposed route, construction schedule, necessary environmental assessment approvals, and all other approvals, permits, licences, certificates and rights required to construct the project.
- 4. [The Applicant] shall submit to the OEB written confirmation of the completion of the project construction. This written confirmation shall be provided within one month of the completion of construction.
- 5. [The Applicant] shall designate one of their employees as project manager who will be the point of contact for these conditions, and shall provide the employee's name and contact information to the OEB and to all affected landowners, and shall clearly post the project manager's contact information in a prominent place at the construction site.