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## **DECISION AND ORDER**

### **EB-2024-0223**

#### **HYDRO ONE NETWORKS INC. ON BEHALF OF NIAGARA REINFORCEMENT LIMITED PARTNERSHIP**

Application for an exemption from section 6.1.3 of the Transmission  
System Code

### **EB-2024-0224**

#### **HYDRO ONE NETWORKS INC. ON BEHALF OF B2M LIMITED PARTNERSHIP**

Application for an exemption from section 6.1.3 of the Transmission  
System Code

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

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**October 3, 2024**

## DECISION AND ORDER

### INTRODUCTION

This is a combined Decision and Order of the Ontario Energy Board (OEB) on two applications filed on July 5, 2024, under section 74 of the *Ontario Energy Board Act, 1998* (OEB Act). The applications were filed by Hydro One Networks Inc. (Hydro One),<sup>1</sup> on behalf of B2M Limited Partnership (B2M LP) and Niagara Reinforcement Limited Partnership (NRLP)<sup>2</sup> (Applications) seeking the following relief:

1. A temporary exemption, for B2M LP, from section 6.1.3 of the Transmission System Code (TSC), until Hydro One files its updated Transmission Connection Procedures (TCP) with the OEB for approval;<sup>3</sup>
2. An interim exemption, for B2M LP, from section 6.1.3 of the TSC, from the date of the application, until the OEB issues its Decision and Order on Hydro One's application, on behalf of B2M LP, for a temporary extension from section 6.1.3 of the TSC;<sup>4</sup>
3. A temporary exemption, for NRLP, from section 6.1.3 of the TSC, until Hydro One files its updated TCP with the OEB for approval;<sup>5</sup>
4. An interim exemption, for NRLP, from section 6.1.3 of the TSC, from the date of the application, until the OEB issues its Decision and Order on Hydro One's application, on behalf of for NRLP, for a temporary extension from section 6.1.3 of the TSC.<sup>6</sup>

The OEB combined these two applications into one proceeding, pursuant to section 21(5) of the OEB Act. This Decision and Order is being issued by the Delegated Authority without a hearing pursuant to section 6(4) of the *Ontario Energy Board Act, 1998*. For the reasons set out below, the OEB grants the requests made in the Applications, to temporarily exempt B2M LP and NRLP (Licensees) from section 6.1.3

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<sup>1</sup> A licensed electricity transmitter (OEB Electricity Transmission Licence ET-2003-0035).

<sup>2</sup> B2M LP and NRLP are affiliates of Hydro One.

<sup>3</sup> EB-2024-0224

<sup>4</sup> EB-2024-0224

<sup>5</sup> EB-2024-0223

<sup>6</sup> EB-2024-0223

of the TSC, subject to certain conditions that are further described in this Decision and Order, and amends the Licensees' electricity transmission licences accordingly.

## BACKGROUND

The OEB issued an electricity transmission licence ([ET-2013-0078](#)) to B2M LP on November 28, 2013 (with an effective date of December 17, 2014) for the purpose of owning and operating a transmission system consisting of the facilities described in Schedule 1 of B2M LP's electricity transmission licence.<sup>7</sup> Also, the OEB issued an electricity transmission licence ([ET-2018-0277](#)) to NRLP on September 12, 2019 for the purpose of owning and operating a transmission system consisting of the facility described in Schedule 1 of NRLP's electricity transmission licence.<sup>8</sup>

Section 5.1 (b), in B2ML LP and NRLP's electricity transmission licences, states:

- 5.1 The Licensee shall at all times comply with the following Codes (collectively the "Codes") approved by the Board, except where the Licensee has been specifically exempted from such compliance by the Board. Any exemptions granted to the Licensee are set out in Schedule 2 of this Licence. The following Codes apply to this Licence:
- a) the Affiliate Relationships Code for Electricity Distributors and Transmitters; and
  - b) the Transmission System Code.

Section 6.1.3 of the TSC states:

A transmitter shall publish on its website its Board-approved connection procedures for processing requests to connect to its transmission system or to modify existing connections, and shall make those connection procedures available upon request. A transmitter's connection procedures shall be consistent with this Code and shall be consistent with and complementary to the Market Rules and the IESO's market procedures as they relate to connection.

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<sup>7</sup> Specification of transmission facilities: (1) Circuit B560V, terminating at the north end near Bruce A TS at tower #2A inclusive, and at the south end at Milton SS at tower #726 inclusive; and (2) Circuit B561M, terminating at the north end near Bruce B SS at tower #2 inclusive, and at the south end at Milton SS at tower #726 inclusive.

<sup>8</sup> Specification of transmission facility: 76 km double circuit 230 kV transmission line connecting Allanburg Transformer Station and Middleport Transformer Station, which include the 230 kV circuits named Q26M and Q35M.

As a result of an OEB staff review of electricity transmitters' connection procedures, it was identified that the Licensees did not have OEB-approved connection procedures. OEB staff requested the Licensees to provide information regarding each Licensees' plans to provide their respective connection procedures. In responding to OEB staff's requests, Hydro One, on behalf of the Licensees, stated that it intends to seek the OEB's approval of its updated TCP and to apply them to affiliates of Hydro One who are licensed electricity transmitters, including the Licensees, following the outcome of the OEB's Transmission Connections Review (EB-2024-0126). Also, Hydro One conveyed its intention to request temporary exemptions, on behalf of the Licensees, from section 6.1.3 of the TSC.

## THE APPLICATIONS

In the Applications, Hydro One, on behalf of the Licensees, has requested temporary exemptions for both transmitters from the requirements set out in section 6.1.3 of the TSC until Hydro One files its updated TCP with the OEB.

Hydro One stated in the Applications that at the time when the Licensees' transmission assets were placed in service, they did not receive any requests from prospective customers seeking to connect to their transmission facilities. Hydro One has also stated that at the time when the Licensees' transmission assets were placed in service, there was no reasonable expectation that the Licensees would receive requests from prospective customers to connect to their respective transmission facilities. The Applications state that as a result, neither of the Licensees had considered filing a TCP for the OEB's approval.

In the Applications, Hydro One has stated that it has completed a review of its TCP and intends to file its updated TCP with the OEB. Hydro One has also stated that it will propose in the TCP update that Hydro One's TCP would also apply to any affiliates of Hydro One that are licensed electricity transmitters, including the Licensees. Further, Hydro One has stated that it anticipates filing its updated TCP, with the OEB, in early 2025 following the conclusion of OEB's ongoing Transmission Connections Review. The Applications note that this timeframe could change based on the duration and outcomes from the OEB's TSC review consultation.

In the Applications, the Licensees have committed that in the event that either of the Licensees receives a request for connection in the immediate or near future, the Licensees shall process requests for connection in accordance with all applicable provisions of the TSC and otherwise in a manner that is reasonable and consistent with the TSC, the OEB Act, the *Electricity Act, 1998* (Electricity Act) and their electricity transmission licences.

## DECISION

The OEB grants the Applications for a temporary exemption from section 6.1.3 of the TSC to the Licensees to allow Hydro One to file its updated TCPs, including its proposal to apply its TCPs to any Hydro One affiliates that are licensed transmitters. The OEB notes for Hydro One's consideration in preparing its updated TCPs that the Licensees are partnerships and not therefore affiliates for the purposes of the Act. The OEB agrees with Hydro One's proposal that it should await the conclusion of the Transmission Connections Review before submitting its updated TCPs. The OEB has

considered the request for an interim exemption from section 6.1.3 of the TSC for the Licensees, retroactive to the date of the Applications and does not consider such an interim exemption to be necessary, given the Licensees have not had TCPs up to that date.

As to the term of the exemptions, the OEB is not convinced that an open-ended exemption is appropriate given the importance of the TCPs for licensed transmitters. However, the Transmission Connections Review has only recently commenced and as per Hydro One's submission it would file its updated TCPs, including the proposal that it would among others apply these TCPs to the Licensees, once that review is completed. In order to allow for a reasonable period to complete the filing of the updated TCPs by Hydro One and its review and consideration, the OEB grants the exemptions to each Licensee until the earlier of the date their TCPs have been approved or July 1, 2025. If the required approval of TCPs should not be completed by that date, the Licensees may seek an extension of the exemption.

In granting an exemption to both Licensees, the OEB notes that neither Licensee has received a request from a prospective customer to connect to their transmission system since their transmission assets were placed in service. The OEB accepts the commitment from the Licensees that if either Licensee receives a request from a customer to connect to their transmission facilities in the immediate or near future, the Licensees intend to process such requests for connection, and comply with the TSC, the OEB Act, Electricity Act, and their electricity transmission licences.

**IT IS ORDERED THAT:**

1. Schedule 2 "List of Code Exemptions" of Niagara Reinforcement Limited Partnership's Electricity Transmission Licence ET-2018-0277 is amended by adding the following paragraph:

"The Licensee is exempt from section 6.1.3 of the Transmission System Code as per the Board's Decision and Order in EB-2024-0223. This exemption expires on July 1, 2025 or on the date that the Board approves the Licensee's Transmission Connection Procedures, whichever is earlier."

2. Schedule 2 "List of Code Exemptions" of B2M Limited Partnership's Electricity Transmission Licence ET-2013-0078 is amended by adding the following paragraph:

"The Licensee is exempt from section 6.1.3 of the Transmission System Code as per the Board's Decision and Order in EB-2024-0224. This exemption expires on July 1,

2025 or on the date that the Board approves the Licensee's Transmission Connection Procedures, whichever is earlier.”

**DATED** at Toronto October 3, 2024

**ONTARIO ENERGY BOARD**

Brian Hewson  
Vice President, Consumer Protection & Industry Performance