

**ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*;

**AND IN THE MATTER OF** an Application by Hydro One Networks Inc. ("**Hydro One**") pursuant to s. 92 of the *Ontario Energy Board Act, 1998* (the "**Act**") for an Order or Orders granting leave to construct transmission line facilities ("**SCTL Project**" or "**Project**") in the West of London area between St. Clair Township and the Municipality of Chatham-Kent.

**AND IN THE MATTER OF** an Application by Hydro One pursuant to s. 97 of the Act for an Order granting approval of the forms of land use agreements offered or to be offered to affected landowners.

---

**REPLY SUBMISSION OF  
HYDRO ONE NETWORKS INC.**

**October 22, 2024**

---

**A. EXECUTIVE SUMMARY**

1. Hydro One is seeking leave to construct a 64 km 230 kV double-circuit transmission line from Lambton TS, connecting to Wallaceburg TS and terminating at Chatham SS in the West of London area. These facilities are required to increase long-term transmission supply capacity to the West of London area as recommended by the IESO in their report entitled the “*Need for Bulk Transmission Reinforcements West of London*”. As a consequence of that report, by Orders in Council<sup>1</sup>, the construction of the Project was declared as needed in accordance with s.28.6.1 of the *OEB Act* and deemed a Priority Project for purposes of s.96.1(2) of the *OEB Act*. Under this authority, the Project must be accepted by the Board as needed for purposes of this Application.
2. Hydro One submits that no party has provided a reasonable basis to cause the Board to deny the relief Hydro One has sought in its Application. The Application and evidence in this proceeding demonstrates that the Project is appropriately designed and is expected to have no material adverse impact on the reliability and quality of service of the transmission system in southwestern Ontario. OEB Staff support the relief sought by Hydro One in the Application. OEB Staff have agreed that the Project is in the public interest and that leave should be granted allowing construction and operation to proceed subject to standard conditions of approval. OEB Staff also agree with Hydro One’s proposed approval of the forms of landowner agreements.<sup>2</sup> Hydro One agrees with OEB Staff’s submissions.
3. The Project cost impacts to a typical residential customer’s electricity bill is expected to be a reduction of \$0.14/month. Other relevant criteria to be considered in this proceeding, namely reliability and quality of electricity service, are not in dispute. Given this, Hydro One submits that the relief sought in this Application, including approvals being made subject to the OEB’s standard terms and conditions, is in the public interest and should therefore be granted.

---

<sup>1</sup> Order in Council No. 875/2022 and No. 876/2022 respectively.

<sup>2</sup> OEB Staff Submission, pp. 14-15.

1 **B. INTRODUCTION**

2  
3 4. In accordance with Procedural Order No 2 dated September 23, 2024, Hydro One  
4 received written submissions from OEB Staff and from the following intervenors:

- 5 • Kevin Jakubec;  
6 • Siskinds Firm Group; and  
7 • The Ross Firm Group.  
8

9 For ease of reference, and the commonality of the submissions made, we refer jointly  
10 to Mr. Jakubec, Siskinds Firm Group and the Ross Firm Group in this submission as  
11 “The Intervenors”.  
12

13 5. Hydro One’s reply submission is organized as follows:

- 14 • First, we address as a preliminary matter, from Siskinds Firm Group, namely,  
15 the request for sur-reply;  
16 • Next, we address issues that The Intervenors have raised which Hydro One  
17 submits are outside the scope of this proceeding; and  
18 • Finally, we address issues that The Intervenors have raised which Hydro One  
19 accepts as falling within the scope of this proceeding.  
20

21 *Preliminary Matter*  
22

23 6. Hydro One notes that as part of its submissions, Siskinds Firm Group has requested  
24 a modification to Procedural Order No. 2 by requesting the Board allow sur-reply  
25 submissions if Hydro One extends or changes its position in reply.<sup>3</sup> Hydro One  
26 confirms that Hydro One has not extended or changed its position in this reply thus  
27 the request for sur-reply should be denied.

---

<sup>3</sup> Siskinds Firm Group, paragraph 3, p. 1

1 *Out of Scope Issues*

2  
3 7. Much of the discovery and submissions made by The Intervenor concern issues of  
4 Project need, the environmental assessment process, and landowner compensation  
5 structures with the applied-for form of land acquisition agreements. For the reasons  
6 that follow, Hydro One submits that none of these matters comport with the scope of  
7 this proceeding as defined by the Issues List.<sup>4</sup> Submissions regarding these topics  
8 are therefore not relevant to this proceeding and should be afforded no weight.

9  
10 *i. Project Need*

11  
12 8. As noted in its Notice of Application and also in Procedural Order No. 1, the OEB has  
13 confirmed that the need for the Project has been determined and this is not an issue  
14 to be debated in this proceeding. Hydro One's transmission licence was amended to  
15 accommodate a 230 kV transmission line to be located between Lambton and  
16 Chatham. Consideration of alternative approaches to those adopted by the  
17 Government of Ontario in its Orders in Council are matters outside of the scope of this  
18 proceeding which are best addressed by the IESO in its transmission system planning  
19 processes as reaffirmed in the OEB Staff submission.<sup>5</sup>

20  
21 *ii. Environmental Assessment*

22  
23 9. Environmental Assessment issues not demonstrated to relate to electricity price,  
24 reliability and quality of electricity services, fall outside of the Board's Issues List.<sup>6</sup>  
25 Hydro One has carefully reviewed The Intervenor submissions, and submits that this  
26 threshold requirement has not been met – that the submissions provided regarding  
27 environmental assessment concerns have not been demonstrated to relate to  
28 electricity price, reliability and quality of electricity services.

---

<sup>4</sup> Procedural Order No. 1, dated July 31, 2024, Schedule B

<sup>5</sup> OEB Staff Submission, pp. 3-4.

<sup>6</sup> Procedural Order No 1, dated July 31, 2024, p. 4.

1 10. As documented in the Application<sup>7</sup>, the Project was subject to the applicable Class  
2 Environmental Assessment (“**Class EA**”) requirements in accordance with the *Ontario*  
3 *Environmental Assessment Act*, and under the purview of the Minister of Environment  
4 Conservation and Parks. To be helpful, Hydro One has advised parties that the Final  
5 Environmental Study Report and Statement of Completion were filed with the Ministry  
6 of the Environment, Conservation and Parks on February 5, 2024.

7  
8 11. Including this information in the Application, provides transparency and promotes  
9 understanding of how the Project has proceeded through other regulatory  
10 requirements. The provision of this information, however, does not override the  
11 requirements set out in the Issues List. For the OEB’s process, environmental  
12 information and issues considered in the environmental assessment process must be  
13 tied to its area of jurisdiction, namely customer impacts to price, reliability and quality.

14  
15 12. One of the common concerns raised by The Intervenor, and which seemingly is  
16 attempted to bridge the Class EA and issues related to this proceeding, concern  
17 allegations that Hydro One failed to engage in meaningful consultation regarding the  
18 Project.<sup>8</sup>

19  
20 13. Hydro One respectfully disagrees. Exhibit B, Tab 3, Schedule 1 of this Application  
21 describes the consultation process carried out by Hydro One. This process began in  
22 2020, when Hydro One first initiated the Class EA process. Consultations were  
23 conducted with municipal, provincial, and federal government officials and agencies,  
24 Indigenous communities, potentially affected and interested persons, businesses, and  
25 interest groups. This involved Project notifications, communications and engagements  
26 resulting in issues identification and resolution efforts. The consultation process  
27 included the development of a Project website, several rounds of virtual and in-person  
28 community open houses<sup>9</sup>, in-person and virtual meetings with Indigenous  
29 communities, government officials, potentially affected and interested persons,

---

<sup>7</sup> EB-2024-0155, Exhibit B, Tab 1, Schedule 1, paragraph 9, p. 3.

<sup>8</sup> See for example Siskinds Firm Group Submission, paragraphs 18-22, pp. 3-4.

<sup>9</sup> See for example Hydro One Virtual Community Open House #2 online at <https://www.sctl-virtualroom2.com/#pop-up-intro>.

1 extensive correspondence with rights-holders and stakeholders, and dedicated  
2 Community Relations and Indigenous Relations representatives. Consultation  
3 continued following completion of the Class EA process and continues today and will  
4 continue throughout the life of the Project.

5  
6 *iii. Compensation*

7  
8 14. Hydro One's compensation approach for land rights was raised by some of The  
9 Intervenors. Siskinds Firm Group, for example, challenges the form of Hydro One's  
10 land acquisition agreement because Hydro One is only proposing lump sum versus  
11 annual rent compensation structures.<sup>10</sup> Similarly, the Ross Firm Group advances  
12 positions about requiring compensation for future works not contemplated at this  
13 time.<sup>11</sup>

14  
15 15. Two comments are made in reply.

16  
17 16. First, Siskinds Firm Group relies upon compensation structures used with natural gas  
18 storage<sup>12</sup> as support for the view that similar approaches should be used in these  
19 circumstances. While no evidence to support this theory was placed in evidence,  
20 Hydro One submits that obvious and material differences exist between land  
21 acquisition requirements for electricity transmission systems, as compared to rights to  
22 use naturally existing underground, subsurface geological salt cavern formations  
23 required for natural gas storage purposes. In the present circumstances, the impacted  
24 rights to the landowner concern surface impacts for the construction of Project  
25 infrastructure and compensation for damages to the landowner's adjacent lands  
26 arising from that infrastructure. Differing infrastructure types require compensation and  
27 agreement forms that reflect that infrastructure type, permanency and land use  
28 requirements. Siskinds Group's approach ignores these realities. Compensation  
29 structures that are intended to take into account a larger land mass – namely, the full  
30 parcel owned by the landowner - would mean ratepayers incur higher rates for greater

---

<sup>10</sup> Siskinds Firm Group Submission, paragraphs 8-17, pp. 2-3.

<sup>11</sup> The Ross Firm Group Submission, Section III, p. 2 and Section VII, Part B, p. 5

<sup>12</sup> Siskinds Firm Group Submission, paragraph 10, p. 2.

land costs, instead of costs that are based strictly on the limited lands required for the Project and damages to the remaining undisturbed lands, if any.

17. Hydro One's voluntary land acquisition program was briefly discussed but not seriously challenged in this proceeding.<sup>13</sup> That said, Hydro One's compensation approach remains consistent with its other major transmission projects. This approach has proven to be effective in achieving widely accepted voluntary settlements. Compensation principles are communicated to all directly affected landowners. Hydro One's land representatives attempt to meet with and discuss the principles and address questions. Financial incentives underlying the program are provided to all similarly situated landowners. These are provided for a reasonable period of time in order to encourage voluntary settlements and avoid the alternative of proceeding with additional regulatory processes, such as reliance on applications made pursuant to section 99 of the *OEB Act*.

18. Hydro One's reliance on lump sum compensation structures under its voluntary land acquisition program achieves finality and security of land rights. Where parties mutually agree, early acquisition of the necessary property rights facilitates Project planning and certainty with timely construction. Compensation amounts for the required easement interests utilize the fee simple market value rate per acre for the lands comprising the easement, notwithstanding the fact that the landowner continues to retain the fee simple interest and retains limited rights to the use and enjoyment of the property encumbered by the easement.

19. Regarding damages to the landowner's adjacent and undisturbed lands, Hydro One's voluntary land acquisition program provides compensation for injurious affection caused to the undisturbed remaining property owned by the landowner. Hydro One's electricity transmission infrastructure compensation is based on a lump sum payment structure as the focus is upon addressing "before" and "after" property valuation

---

<sup>13</sup> See Exhibit I, Tab 1 Schedule 4, part e) at page 4 of 8 ("Process for Real Estate Cost Estimate"). At Exhibit I, Tab 1, Schedule 14, part b) at page 2 of 4, Hydro One explained how incentives offered through its voluntary land acquisition program would be provided for a limited time and failing voluntary settlements under this program, recourse would then occur through section 99 of the *OEB Act* and that compensation will be determined based on the prevailing legislative standards.

1 differences for the then current landowner. Market valuations for any subsequent sale  
2 of the property takes into account the electricity infrastructure found on the property.  
3 Again, this compensation is intended to address the “before” and “after” property  
4 valuation impacts to the non-easement lands owned by the current property owner.  
5

6 20. Second, Hydro submits that the propriety of lump sum compensation structures found  
7 in the form of land acquisition agreements is not a relevant issue when considering  
8 whether an approval should be granted in accordance with section 97 of the *OEB Act*.  
9 That is because the form of land acquisition agreement is considered to be an initial  
10 offering to the landowner and that the parties should remain free to negotiate terms  
11 that address validated compensable requirements. For example, in EB-2006-0305  
12 the Board found as follows:

13  
14 “When considering the standard form agreement to be offered to affected  
15 landowners, the Board considers the agreement anew and in the context of  
16 the application in which it has been filed. The Board approves a standard  
17 form agreement *which represents the initial offering to the affected*  
18 *landowner*. Once the Board is satisfied with the standard form agreement,  
19 and in this case the Board is satisfied with the form as filed by Enbridge, the  
20 parties are free to negotiate whatever terms they believe to be necessary to  
21 protect their specific interests. The Board does not become involved in the  
22 detailed negotiation of the clauses in the agreements between one  
23 landowner and the Applicant. *It is also accepted that a review by this Board*  
24 *under Section 97 does not extend to the amount of compensation or the*  
25 *structure of compensation arrangements*”.<sup>14</sup>(emphasis added)  
26

27 *Out of Scope Issues: Conclusion*

28 21. The Intervenor’s discovery and submissions on project need, environmental  
29 assessment matters and landowner compensation structures are not within the scope  
30 of this proceeding. Hydro One submits that no weight should be afforded to  
31 arguments on these matters.  
32

33 22. Hydro One’s preference towards its voluntary land acquisition program and use of  
34 lump sum payment compensation structures are intended to provide landowners with  
35 financial incentives. If landowners disagree with the proposed land acquisition terms,

---

<sup>14</sup> EB-2006-0305, OEB Decision and Order, dated June 1, 2007, p. 10.



1 then further recourse is available when an application is made for expropriation  
2 authority pursuant to section 99 the *OEB Act*. Section 100 of the *OEB Act* also makes  
3 it clear that compensation disputes related to Part IV of the Act are not within the  
4 Board's purview and these disputes are instead determined by the Ontario Land  
5 Tribunal under the *Expropriations Act*.

### 6 7 **C. REPLY SUBMISSIONS ON IN-SCOPE ISSUES**

8  
9 23. As described above, Hydro One is mindful of the directions provided by the Board in  
10 its Procedural Orders and as such Hydro One's submissions are limited to address  
11 only the issues which the Board has determined to be relevant, notwithstanding the  
12 broader scope of questions and issues that The Intervenor have raised.

### 13 14 **ROUTE MAP AND FORM OF LANDOWNER AGREEMENTS**

15  
16 24. The Intervenor purport that the rights proposed in the form of agreements are too  
17 broad in nature (e.g., future rights and/or contemplates business activities beyond the  
18 relief sought in this Application)<sup>15</sup> and it would be incumbent on the OEB to ensure that  
19 the forms of agreement protect the rights of landowners<sup>16</sup> and are consistent with OEB  
20 precedent.<sup>17</sup>

21  
22 25. The standard forms of agreement provided in this Application will be utilized for all  
23 directly affected Project landowners. Hydro One has already secured voluntary  
24 agreements utilizing these agreements and continues to progress securing  
25 agreements with landowners using these agreements. For reference, at time of filing  
26 the Application, Hydro One had secured voluntary settlement agreement with 2% of  
27 private landowners.<sup>18</sup> At the time of filing interrogatory responses, Hydro One  
28 confirmed this was up to 32%.<sup>19</sup>

---

<sup>15</sup> The Ross Firm Group Submission, Section II, pp.1-2, and Siskinds Firm Group, paragraphs 23-24, p. 4

<sup>16</sup> Siskinds Firm Group, paragraphs 25-41, pp. 5-7

<sup>17</sup> The Ross Firm Group Submission, Section IX, p.7

<sup>18</sup> Exhibit E, Tab 1, Schedule 1, Table 2

<sup>19</sup> EB-2024-0155, Exhibit I, Tab 1, Schedule 14

1 26. Contrary to the Ross Firm Group submissions, the forms of agreement proposed in  
2 this Application have been utilized in multiple OEB-approved electricity leave to  
3 construct proceedings. Notably, all of the forms of agreement are materially the same  
4 as the forms of agreements approved by the Board in the Chatham to Lakeshore  
5 Project proceeding.<sup>20</sup> As the Board is aware, the Chatham to Lakeshore Project was  
6 recently approved and is located in the same general vicinity (i.e., south-western  
7 Ontario) as this Project.

8  
9 27. The Ross Firm Group mischaracterizes the nature of the relief sought in Hydro One's  
10 application. This proceeding concerns the requirements found in section 92 and 97 of  
11 the *OEB Act*, (i.e. leave to construct approval and the approval of standard form land  
12 acquisition agreements) and not relief for expropriation authority pursuant to section  
13 99 of the *OEB Act*.<sup>21</sup> Hydro One intends to continue to negotiate voluntary agreements  
14 with all directly affected landowners. However, as detailed in Exhibit I, Tab 1, Schedule  
15 14, if voluntary agreements are not reached, only then will Hydro One take the  
16 necessary steps and seek OEB authorization to expropriate the lands rights then  
17 required to construct this priority transmission infrastructure project.

18  
19 28. Importantly, as established by the Divisional Court, relief pursuant to s.97 of the OEB  
20 Act is "[f]or the form of agreement which is the subject of subsequent negotiation  
21 between the parties. It represents terms from which the party propounding the project  
22 may not unilaterally resile".<sup>22</sup>

23  
24 29. The OEB is not involved in the detailed negotiations between a landowner and an  
25 Applicant. The OEB has issued previous decisions explicitly defining this outcome:

26  
27 "The Board approves a standard form agreement which represents the initial  
28 offering to the affected landowner. Once the Board is satisfied with the  
29 standard form agreement ... *the parties are free to negotiate whatever terms*  
30 *they believe to be necessary to protect their specific interests. The Board*

---

<sup>20</sup> EB-2022-0140

<sup>21</sup> The Ross Firm Group Submission, Section I, p. 1

<sup>22</sup> *Conserve Our Rural Environment v Dufferin Wind Power Inc.* (2013) ONSC 7307

1           *does not become involved in the detailed negotiation of the clauses in the*  
2           *agreements between one landowner and the Applicant*".<sup>23</sup> (emphasis added).  
3

4       30. The Intervenor was afforded the opportunity to file intervenor evidence.<sup>24</sup> Despite  
5       this opportunity, the Ross Firm Group and the Siskinds Firm Group failed to provide  
6       any evidence as to why the applied-for form of land agreements should, in the present  
7       circumstances, materially deviate from the agreements utilized by Hydro One and  
8       approved by the Board in previous leave to construct proceedings.  
9

10      31. The use of standard form agreements achieves greater operational efficiencies and is  
11      consistent with the policy objectives of incentive-based rate-making established by the  
12      Board, ultimately benefiting all uniform transmission ratepayers. Operational  
13      efficiencies are intended to streamline processes and secure requirements that are  
14      necessary to deliver power to customers in a safe, reliable and cost-effective manner.  
15

16      32. Hydro One is unaware of any unique circumstances or features associated with this  
17      Project that would justify imposing additional limits or conditions in the forms of  
18      agreements. Maintaining a practice of uniform and consistent forms of agreement  
19      promotes administrative efficiencies and fairness.  
20

21      33. The Ross Firm Group suggests that including telecommunication systems in the form  
22      of agreements should be viewed as an area outside of the scope of the relief sought  
23      in this proceeding.<sup>25</sup> Yet, telecommunication systems are a necessary part of the  
24      proposed protections and controls that are required and will be implemented for the  
25      safe and reliable operation of the Project.  
26

27      34. As originally detailed in Exhibit C, Tab 1, Schedule 1, optical ground wire ("**OPGW**")  
28      will be installed on the transmission line. This OPGW, in conjunction with the  
29      telecommunication facilities installed at the stations, are required to provide the  
30      necessary status information and control capability for the ongoing operations of the

---

<sup>23</sup> EB-2006-0305, OEB Decision and Order, dated June 1, 2007, p. 10.

<sup>24</sup> As outlined in the Procedural Order No 1, dated July 31, 2024, p. 6.

1 transmission line. Telecommunication systems form part of the transmission line  
2 infrastructure that is critical for the safe, secure and reliable operation of a transmission  
3 line (i.e., grid protection and safe control). This has been reiterated in Exhibit I, Tab 5,  
4 Schedule 8. Additionally, at the same reference, Hydro One explains that,  
5 “telecommunication systems” and “related business venture” within Hydro One’s  
6 Transfer and Grant of Easement, reflect the rights provided to Hydro One within  
7 Section 42 of the *Electricity Act*. These rights include the right to utilize transmission  
8 and distribution infrastructure for the purpose of providing telecommunication services  
9 and the right to enter into agreements with others, authorizing them to attach wires or  
10 other telecommunication facilities to that infrastructure for the purposes of supplying  
11 telecommunication systems. This requirement underscores why the form of land  
12 acquisition agreements expressly refers to telecommunication systems.

13  
14 35. With respect to presumptions that Hydro One is seeking rights greater than necessary  
15 to deliver the Project<sup>26</sup>, Hydro One disagrees. As detailed in Exhibit I, Tab 5, Schedule  
16 8, the Transfer and Grant of Easement language, provides Hydro One flexibility with  
17 its operation and upkeep of its transmission line assets, including those which may be  
18 required in the future. Hydro One intends to rely on the rights granted within Section 1  
19 of the Transfer and Grant of Easement included in this Application to access the  
20 easement lands for the safe operation and maintenance of the transmission line.  
21 Additionally, in emergency scenarios, Hydro One will utilize the easement rights to  
22 conduct emergency repairs as required but may also rely on legislative permissions to  
23 access the transmission infrastructure. Prevailing facts and circumstances and  
24 legislative requirements arising to address future facility alterations would be  
25 considered at that time.

26  
27 36. The Ross Firm Group have confused the characterization used in expropriation  
28 proceedings with the OEB's process for evaluating Hydro One's form of easement  
29 agreements during a leave to construct proceeding.<sup>27</sup> The Ross Firm Group relies on

---

<sup>26</sup> The Ross Firm Group Submissions, Sections III-V, pp. 2-3

<sup>27</sup> The Ross Firm Group Submission, Section VI, pp. 3-4 references EB-2010-0023. This is the expropriation proceeding related to the Bruce to Milton Project not the leave to construct proceeding, EB-2007-0050.

1 two decisions: the Bruce to Milton Project (reviewed under docket EB-2007-0050) and  
2 the East West Tie Project (reviewed under docket EB-2017-0182). However, in these  
3 instances, the OEB approved the form of agreements, as they were presented, with  
4 no objections.<sup>28</sup> As counsel acting for landowners in the Bruce to Milton Project, Mr.  
5 Ross well knows that the form of non-objection was a result of lengthy consultations  
6 and agreements reached between landowners and Hydro One. In the Bruce to Milton  
7 Project, Hydro One developed and implemented standard form land acquisition  
8 principles which have been foundational to the ones to be applied to this Project.  
9 These decisions do not support the emphasis on factors that the Ross Firm Group  
10 advances.

11  
12 37. The Ross Firm Group's submission also inappropriately applies criteria, addressed  
13 during section 99 expropriation applications and to the present circumstances. For  
14 example, these criteria include ensuring that landowners have the opportunity to  
15 negotiate the terms, receive fair compensation, and set parameters for any future  
16 projects that may involve the use of land already subject to existing easement  
17 agreements.<sup>29</sup> No justification has been provided by the Ross Firm Group as to why  
18 these criteria have any relevance or justification at the stage where approval of the  
19 form of land acquisition agreement used to voluntarily negotiate land rights (and not  
20 rely on expropriation) is reasonable, let alone justified. This misapplication, however,  
21 leads to questionable interpretations placed on the OEB's decisions. Hydro One  
22 submits that the Ross Firm Group's asserted conclusions should be dismissed on this  
23 point.

24  
25 38. The Ross Firm Group appears to accept that the applied-for forms of the land  
26 agreements have been approved in prior leave to construct proceedings. However,  
27 since intervenors did not seriously challenge the merits of these forms of agreements,  
28 the Board's approval of them should not be afforded weight.<sup>30</sup> In reply, Hydro One  
29 submits that past applications approving the forms of land acquisition agreements are

---

<sup>28</sup> EB-2007-0050, OEB Decision and Order, dated September 15, 2008, Section 6.1.1 – Board Findings: Forms of Land Agreements, p. 60, and EB-2017-0182/EB-2017-0182, OEB Decision and Order, dated February 11, 2019, Section 4: Findings – Forms of Land Agreements, p. 9

<sup>29</sup> The Ross Firm Group Submission, Section VI.A and VI.B.,

<sup>30</sup> The Ross Firm Group Submission, Section VI, p. 4

1 relevant as the approvals themselves address the question of public interest. Ross  
2 Firm Group's argument appears to suggest that past approvals are not demonstrative  
3 of the public interest because detailed analysis and discourse regarding their specific  
4 terms may not have occurred. As provocative as that may be, the fact remains that  
5 the Board must make public interest determinations based on its expertise and based  
6 on the evidence presented. The forms of the agreements in this Application have been  
7 considered and deliberated upon by the Board in prior proceedings. They have been  
8 found to be in the public interest and approved on this basis. The fact remains that no  
9 serious challenges to the propriety of these forms of agreements has occurred. The  
10 purpose served by these agreements is to promote transparency and voluntary  
11 settlements before reliance is placed on expropriation.

12  
13 39. Further support for these agreements is found in OEB Staff's submissions. OEB Staff  
14 noted that they have "reviewed the proposed forms of agreements and have no issues  
15 or concerns with Hydro One's proposed forms of land agreements and that the  
16 proposed agreements are generally consistent with the agreements approved by the  
17 OEB through previous proceedings."<sup>31</sup>

18  
19 40. Consequently, consistent with previous OEB jurisprudence, all submissions made by  
20 The Intervenor related to detailed negotiations between Hydro One and directly  
21 affected landowners should be dismissed in their entirety as they extend beyond the  
22 scope of the intended relief sought. The relief sought is for approval of the standard  
23 forms of agreement that Hydro One presents to directly affected landowners. As noted  
24 by OEB Staff, the forms of agreement serve only as "the initial offer to landowners and  
25 may not reflect the final agreement that is agreed to between the parties."<sup>32</sup> The forms  
26 of those agreements are consistent with previous OEB-approved forms of agreement  
27 and there is no basis why the forms of agreement should deviate from those previously  
28 approved.

---

<sup>31</sup> OEB Staff Submission, Section 2.6, p.14.

<sup>32</sup> OEB Staff Submission, p. 14.

**CONDITIONS OF APPROVAL**

41. The Intervenor submit that the OEB should impose greater conditions on Hydro One than the OEB's standard conditions of approval. For example, Mr. Jakubec requests the Board's approval be conditioned upon completion of a baseline groundwater study<sup>33</sup> Ross Firm Group requests amendments are made to the standard forms of agreements in order to limit the scope of the agreement and inclusion of a decommissioning clause.<sup>34</sup>

42. With respect to completion of baseline groundwater studies, Hydro One submits that this type of condition has not been demonstrated to relate to matters that concern price, quality and reliability of electricity transmission service. Instead, the matters concern environmental mitigation measures. If additional baseline groundwater studies were deemed necessary, these would have been a matter arising out of and within the purview of the Minister of Environment, Conservation and Park's environmental assessment process and thus fall outside of the Board's scope of jurisdiction..

43. With respect to the latter requests, the Ross Firm Group assumes that a decommissioning condition is a mandatory requirement of the standard forms of agreement. This presumption is because of its inclusion in Appendix B of Chapter 4 of the OEB's Filing Requirements for Electricity Transmission Applications (OEB's Filing Requirements). The Ross Firm Group concludes that the standard forms of agreement cannot be approved as filed and must be amended to include a decommissioning clause. However, as clearly articulated in the OEB's Filing Requirements, these conditions are not mandatory nor does their inclusion or omission limit the OEB from approving or denying the sought relief.

"The elements below provide the initial starting point for a negotiation between a landowner and an LTC applicant. However, it is open to the landowner and applicant to develop the substantive content of these elements and any other mutually agreed items to be included in the

---

<sup>33</sup> Kevin Jakubec Submission, p. 10.

<sup>34</sup> The Ross Firm Group Submission, Section VIII, part E, p. 6.

1           agreement. *Incorporation of these elements does not limit the OEB's*  
2           *discretion to either approve or not approve a form of agreement submitted in*  
3           *a proceeding*<sup>35</sup> (emphasis added)  
4

5       44. Further, Hydro One's view is that the facilities will be brand new and meet a priority  
6       designated need. As discussed in Exhibit I, Tab 5, Schedule 9, part c), the need for  
7       the Project does not envision any need to decommission these facilities in the  
8       foreseeable future. For reference, as described in Exhibit I, Tab 4, Schedule 4, part a)  
9       it is often the case that electricity transmission lines and structures will have an  
10      expected service life of over 80 years. Any consideration of decommissioning at this  
11      stage would be premature and should be addressed if and when the facilities are to  
12      be removed. Therefore, it is unnecessary to impose any additional conditions relating  
13      to these matters, as suggested by Intervenor.

14  
15     45. The standard conditions of approval issued by the OEB on a leave to construct  
16     application ensure that all approvals necessary to construct, maintain and operate the  
17     Project are obtained. Hydro One has no concerns with an approval that is conditional  
18     on the standard conditions of approval. This was confirmed by Hydro One in Exhibit  
19     B, Tab 1, Schedule 1, paragraph 18 and remains accurate.

## 20 21     **D. CONCLUSION**

22  
23     46. Hydro One submits that the OEB should approve the relief sought in this Application.  
24     The SCTL Project is in the public interest. The customer price impacts associated with  
25     the Project are expected to be favorable, with rates expected to decrease by  
26     \$0.14/month on a typical residential customer's bill under Regulated Price Plan relative  
27     to 2024 approved rates. The design and location of the Project comport with Hydro  
28     One's license amendments and will achieve the purposes set out in the Government  
29     of Ontario's Orders in Council. Ratepayers will immediately benefit from the bulk  
30     transfer capability the facilities will deliver upon in-servicing. As documented in the  
31     Final SIA and CIA reports, the Project will not result in material adverse effects on the  
32     reliability of the integrated power system or the transmission connected customers in

---

<sup>35</sup> OEB Chapter 4 Filing Requirements for Electricity Transmission Application, Appendix B



1 the area. For these reasons, Hydro One submits that the Board can and should  
2 expeditiously approve the Project so that regulatory certainty is provided, and ongoing  
3 efforts continue so that in-service timing requirements for this Priority Project are  
4 achieved.

5  
6 All of which is respectfully submitted on October 17, 2024.

7  
8 HYDRO ONE NETWORKS INC.

9 By its counsel,

10 McCarthy Tetrault LLP

11  
12   
13

14  
15 Gord M. Nettleton

16 Partner

17 LSUC No. 61336E