



September 12, 2019

Ontario Energy Board
2300 Yonge St. 27th Floor
P.O. Box 2319
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

EB-2019-0235

Dear Ms. Walli,

RE: Service Area Amendment Application, Northern Ontario Wires Inc.

Please find enclosed a Service Area Amendment Application proposing to incorporate a current customer to the service territory description for Northern Ontario Wires Inc.

By way of summary, the inclusion is described as follows:

- a) Customer located at 8805 Highway 11, as described by Registered Plan 6R2082, Concession 4, South Part, Lot 12, Calvert Township in the Town of Iroquois Falls, Parcel 6447, North-East Cochrane.

As explained in more detail in the application, this modification will be made with the consent and cooperation of the embedded distributor Hydro One Networks Inc. As such, Northern Ontario Wires proposes that, based on the nature of the requested amendment and having received the consent of Hydro One Networks Inc., that the application can proceed without a hearing.

Please do not hesitate to contact us if you require any additional information.

Yours very truly,

A handwritten signature in blue ink, appearing to read "Dan Boucher".

Dan Boucher
General Manager

Cc: Pasquale Catalano, HONI

**NORTHERN ONTARIO WIRES INC.
SERVICE AREA AMENDMENT APPLICATION**

7.1 Basic Facts

The information in this section is required to provide the Board with basic information about the application and an understanding of the details of the proposed SAA.

General

7.1.1 Provide the contact information for each of the following persons:

(a) the applicant;

Northern Ontario Wires Inc., 153 Sixth Avenue, Cochrane, ON P0L 1C0 Attention: Dan Boucher, General Manager Email: danb@nowinc.ca Tel: 705-272-6669 Fax: 705-272-5035.

(b) the incumbent distributor;

Hydro One Networks Inc.
Attention: Pasquale Catalano, Advisor,
Regulatory Affairs
483 Bay Street, South Tower, 8th Floor
Toronto, ON M5G 2P5
416-345-5866
Email: regulatory@hydroone.com

(c) every affected customer, landowner, and developer in the area that is the subject of the SAA application;

- a) Customer located at 8805 Highway 11, as described by Registered Plan 6R2082, Concession 4, South Part, Lot 12, Calvert Township in the Town of Iroquois Falls, Parcel 6447, North-East Cochrane.

7.1.2 Indicate the reasons why this amendment should occur and identify any load transfers eliminated by the proposed SAA.

The proposed amendment includes Northern Ontario Wires Inc. assets that were inadvertently omitted from previous applications. A distribution line from the Town of Iroquois Falls was constructed in the 1970's to provide service to this customer (Bioshell – a wood pellet plant). At the time of the build, neither Ontario Hydro nor the Town of Iroquois Falls' Electrical Department had a 3-phase connection available in the area. It was deemed more cost effective to have the Iroquois Falls' Electrical Department construct a distribution line (approximately 15 kilometres) to the area. The Town of Iroquois Falls' Electrical Department merged with the Cochrane Public Utilities' Electrical Department in 1999, and formed Northern Ontario Wires Inc., who inherited the asset.

There are no load transfers in the proposed area.

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Description of Proposed Service Area

7.1.3 Provide a detailed description of the lands that are the subject of the SAA application. For SAA applications dealing with individual customers, the description of the lands should include the lot number, the concession number, and the municipal address of the lands. The address should include the street number, municipality and/or county, and postal code of the lands. For SAA applications dealing with general expansion areas, the description of the lands should include the lot number and the concession number of the lands, if available, as well as a clear description of the boundaries of the area (including relevant geographical and geophysical features).

As described in 7.1.1. (c) a.

The current licence description should be amended to include the new address as outlined in Attachment B.

7.1.4 Provide one or more maps or diagrams of the area that is the subject of the SAA application. The maps or diagrams must identify the following information:

Please see Attachment A for a map of the distribution line.

Please also note that both the current and proposed service areas are surrounded entirely and only by Hydro One Networks Inc. as the incumbent distributor.

- a) the borders of the applicant's service area;***
- b) the borders of the incumbent distributor's service area;***
- c) the borders of any alternate distributor's service area, if applicable;***
- d) the territory surrounding the area for which the applicant is making the SAA application;***
- e) the geographical and geophysical features of the area including, but not limited to, rivers and lakes, property borders, roads, and major public facilities; and***
- f) the existing facilities supplying the area that is the subject of the SAA application, if applicable, as well as the proposed facilities which will be utilized by the applicant to supply the area that is the subject of the SAA application (Note: if the proposed facilities will be utilized to also provide for expansion of load in the area that is the subject of the SAA application, identify that as well).***

Distribution Infrastructure In and Around the Proposed Amendment Area

7.1.5 Provide a description of the proposed type of physical connection (i.e., individual customer; residential subdivision, commercial or industrial development, or general service area expansion).

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The area consists of one building, which is already connected to Northern Ontario Wires' infrastructure.

7.1.6 Provide a description of the applicant's plans, if any, for similar expansions in lands adjacent to the area that is the subject of the SAA application. Provide a map or diagram showing the lands where expansions are planned in relation to the area that is the subject of the SAA application.

Northern Ontario Wires does not have any plans for expansion in the area.

7.2 Efficient Rationalization of the Distribution System

The proposed SAA will be evaluated in terms of rational and efficient service area realignment. This evaluation will be undertaken from the perspective of economic (cost) efficiency as well as engineering (technical) efficiency. Applicants must demonstrate how the proposed SAA optimizes the use of existing infrastructure. In addition, applicants must indicate the long term impacts of the proposed SAA on reliability in the area to be served and on the ability of the system to meet growth potential in the area. Even if the proposed SAA does not represent the lowest cost to any particular party, the proposed SAA may promote economic efficiency if it represents the most effective use of existing resources and reflects the lowest long run economic cost of service to all parties.

7.2.1 In light of the above, provide a comparison of the economic and engineering efficiency for the applicant and the incumbent distributor to serve the area that is the subject of the SAA application. The comparison must include the following:

a) the location of the point of delivery and the point of connection;

N/A – this premise is already connected to Northern Ontario Wires' existing assets.

b) the proximity of the proposed connection to an existing, well-developed electricity distribution system;

N/A – this premise is already connected to Northern Ontario Wires' existing assets.

c) the fully allocated connection costs for supplying the customer (i.e., individual customers or developers) unless the applicant and the incumbent distributor provide a reason why providing the fully allocated connection costs is unnecessary for the proposed SAA (Note: the Board will determine if the reason provided is acceptable).

N/A – this premise is already connected to Northern Ontario Wires' existing assets.

d) the amount of any capital contribution required from the customer;

N/A

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e) the costs for stranded equipment (i.e., lines, cables, and transformers) that would need to be de-energized or removed;

N/A

f) information on whether the proposed SAA enhances, or at a minimum does not decrease, the reliability of the infrastructure in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application over the long term;

N/A

g) information on whether the proposed infrastructure will provide for cost- efficient expansion if there is growth potential in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application; and

N/A

h) information on whether the proposed infrastructure will provide for cost- efficient improvements and upgrades in the area that is the subject of the SAA application and in regions adjacent to the area that is the subject of the SAA application.

N/A

7.3 Impacts Arising from the Proposed Amendment

Description of Impacts

7.3.1 Identify any affected customers or landowners.

7.3.2 Provide a description of any impacts on costs, rates, service quality, and reliability for customers in the area that is the subject of the SAA application that arise as a result of the proposed SAA. If an assessment of service quality and reliability impacts cannot be provided, explain why.

There will be no negative impact on service quality or reliability or rates for this customer.

7.3.3 Provide a description of any impacts on costs, rates, service quality, and reliability for customers of any distributor outside the area that is the subject of the SAA application that arise as a result of the proposed SAA. If an assessment of service quality and reliability impacts cannot be provided, explain why.

This SAA application will have no impact on customers, as customer's connection will remain unchanged.

**NORTHERN ONTARIO WIRES INC.
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7.3.4 Provide a description of the impacts on each distributor involved in the proposed SAA. If these impacts have already been described elsewhere in the application, providing cross-references is acceptable.

Both distributors involved with this application will be able to service their respective customers through their own distribution systems. Therefore, there will be no impact on either distributor.

7.3.5 Provide a description of any assets which may be stranded or become redundant if the proposed SAA is granted.

There will be no stranded assets or redundancies if the proposed SAA is granted.

7.3.6 Identify any assets that are proposed to be transferred to or from the applicant. If an asset transfer is required, has the relevant application been filed in accordance with section 86 of the Act? If not, indicate when the applicant will be filing the relevant section 86 application.

No transfer of assets is proposed for this project.

7.3.7 Identify any customers that are proposed to be transferred to or from the applicant.

N/A

7.3.8 Provide a description of any existing load transfers or retail points of supply that will be eliminated.

N/A

7.3.9 Identify any new load transfers or retail points of supply that will be created as a result of the proposed SAA. If a new load transfer will be created, has the applicant requested leave of the Board in accordance with section 6.5.5 of the Distribution System Code ("DSC")? If not, indicate when the applicant will be filing its request for leave under section 6.5.5 of the DSC with the Board. If a new retail point of supply will be created, does the host distributor (i.e., the distributor who provides electricity to an embedded distributor) have an applicable Board approved rate? If not, indicate when the host distributor will be filing an application for the applicable rate.

There are no new load transfers or retail points that will be created.

Evidence of Consideration and Mitigation of Impacts

7.3.10 Provide written confirmation by the applicant that all affected persons have been provided with specific and factual information about the proposed SAA. As part of

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the written confirmation, the applicant must include details of any communications or consultations that may have occurred between distributors regarding the proposed SAA.

HONI's consent letter (Attachment B) demonstrates communication between NOW Inc. and HONI. With respect to the proposed amendment, HONI has agreed to the modification proposed by Northern Ontario Wires Inc.

7.3.11 Provide a letter from the incumbent distributor in which the incumbent distributor indicates that it consents to the application.

Please see Attachment A.

7.3.12 Provide a written response from all affected customers, developers, and landowners consenting to the application, if applicable.

N/A

7.3.13 Provide evidence of attempts to mitigate impacts where customer and/or asset transfers are involved (i.e., customer rate smoothing or mitigation, and compensation for any stranded assets).

N/A

7.4 Customer Preference

The Board, in the RP-2003-0044 decision, stated that customer preference is an important, but not overriding consideration when assessing the merits of an SAA.

7.4.1 An applicant who brings forward an application where customer choice may be a factor must provide a written statement signed by the customer (which includes landowners and developers) indicating the customer's preference.

The customer is already connected to Northern Ontario Wires Inc.'s assets and it would be inefficient to change their service.

7.5 Additional Information Requirements for Contested Applications

N/A-Application is on consent.

Hydro One Networks Inc.

7th Floor, South Tower
483 Bay Street
Toronto, Ontario M5G 2P5
www.HydroOne.com

Tel: (416) 345-5393
Fax: (416) 345-5866
Joanne.Richardson@HydroOne.com

Joanne Richardson

Director – Major Projects and Partnerships
Regulatory Affairs

BY COURIER

August 29, 2019

Dan Boucher, General Manager
Northern Ontario Wires
153 Sixth Avenue,
Cochrane, ON
P0L 1C0

Dear Mr. Boucher,

Northern Ontario Wires Inc. Application for a Service Area Amendment


This is to confirm that Hydro One Networks Inc. (“Hydro One”) supports your application to amend the Northern Ontario Wires Inc. (“NOW”) Distribution Licence as proposed in NOW’s service area amendment application. The intent of the application is to amend NOW’s distribution licence to include 8805 Highway 11, in the Town of Iroquois Falls that is legally described as follows in the service area amendment application:

Registered Plan 6R2082, Concession 4, South Part, Lot 12, Calvert Township in the Town of Iroquois Falls, Parcel 6447, North-East Cochrane

Hydro One supports NOW’s request to proceed with this service area amendment without a hearing.

If you have any questions or concerns, please contact Pasquale Catalano at Pasquale.Catalano@HydroOne.com or alternatively, via telephone, at 416-345-5405.

Sincerely,


FER

Joanne Richardson

c/

Aarani Pathmanathan, Hydro One (electronic only)

SCHEDULE 1 DEFINITION OF DISTRIBUTION SERVICE AREA

This Schedule specifies the area in which the Licensee is authorized to distribute and sell electricity in accordance with paragraph 8.1 of this Licence.

1. The former Town of Cochrane as of December 31, 1999 described by:

 North: Eighth Street/Chalmers Subdivision
 East: North Road
 South: Highway 11
 West: Western Avenue
2. The customer located at 461 Eighth Street in the Town of Cochrane and described as Glackmeyer Con 2 Pt Lot 19 RP 6R7793 Part 1-2.50A.
3. The customers in the Town of Cochrane north of Eighth Street located at:
 - a) Vezeau Subdivision, as described by Registered Plan 6M494;
 - b) Chalmers Subdivision, as described by Registered Plan M346C;
 - c) 425, 436, 437, 438, 439, 440, 441, 443 and 451 Chalmers Avenue (formerly Tenth Avenue);
 - d) Chalmers Public School at 453 Chalmers Avenue;
 - e) 233, 381/383, 399, 435, 451, 455 and 461 Eighth Street ;
 - f) 403, 430, 500, 501 and 503 Water Plant Road;
 - g) Lee Golf Club at 499 Second Avenue;
 - h) Cochrane Supported House (Senior Living) Development at 500 Twelfth Avenue.
4. The former Town of Iroquois Falls as of December 31, 1997 described by:

 North: Anson Drive/Abitibi River
 East: Detroyes Avenue
 South: Majestic Avenue
 West: Ambridge Drive/Tank Road/Leroux Street
- 5.6. The Town of Kapuskasing as of September 11, 2001.

 North: Mateeve Avenue
 East: Cherry Street
 South: Highway 11
 West: Kapuskasing Airport

5. The customer in the Town of Iroquois Falls located at:

- a) 8805 Highway 11, as described by Registered Plan 6R2082

