

Application for Service Area Amendment



SYNERGY NORTH CORPORATION

ED-2018-0233

REDACTED VERSION

December 4, 2024

7.0 INTRODUCTION

This application for a Service Area Amendment is structured and follows the filing requirement for SAA assigned by the Ontario Energy Board. The section numbers follow the filing requirement of the base reference.

This application for a service area amendment ("SAA") addresses the expansion of SYNERGY NORTH CORPORATION's ("SNC") service territory into Hydro One's ("HOne") existing territory. This application affects one (1) new Residential Customer.

This SAA has been reviewed and supported by HOne. Letter of support is attached as Appendix A.

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 (a)

Provide the contact information for each of the following persons:
The applicant:

SYNERGY NORTH CORPORATION
34 North Cumberland Street, Thunder Bay, ON, P7A 4L4
Phone: (807) 343-1111 Fax: (807) 343-1044
Email: Regulatory@synergynorth.ca
Contact Person:
Janice Robertson, Finance & Regulatory Assurance Manager
Phone: (807) 467-8014
Email: jrobertson@synergynorth.ca

7.1.1 (b)

The incumbent distributor;

Hydro One
483 Bay Street, 7th Floor, South Tower, Toronto, ON M5G 2P5
Phone: (416) 345-5405 Fax: (416) 345-5866
Email: Regulatory@HydroOne.com
Contact Person:
Mark Ciufu, Regulatory Analyst
Phone: (416)345-5905
Email: Mark.Ciufu@HydroOne.com

7.1.1 (c)

Every affected customer, landowner, and developer in the area that is the subject of the SAA application;

Current Owners:

[REDACTED]

Subdivided:

[REDACTED]

7.1.1 (d)

Any alternate distributor other than the applicant and the incumbent distributor, if there are any alternate distributors bordering on the area that is the subject of the SAA application; and

No alternate distributors border the area that is the subject of this SAA.

7.1.1 (e)

Any representative of the persons listed above including, but not limited to, a legal representative.

None.

Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the persons listed above.

Included above in part (c).

7.1.2

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

HOne's infrastructure in this area is approximately 800 metres from the subject property.

SNC currently supplies to customers directly adjacent to this property. The approximate length from existing infrastructure is 200 metres.

Estimated cost to service customer from Synergy North Corporation [REDACTED]

Infrastructure needed from SNC to service this customer: Estimate of 6 poles, O/H Transformer, Conductors and Devices.

SNC's proposed SAA will not result in any stranded or duplicated assets.

The property is adjacent to other properties currently serviced by SNC.

There would be no load transfers created or eliminated by this SAA.

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).

The lands subject to this SAA are:

25th Side Road North, Thunder Bay ON, from Arthur Street to Pole Line Road.

48°23'16", 89°23'19"

Part Lot 1, Con 3 NKR Paipoonge, Designated as Part 1 PL 55R13878 Municipality of Oliver Paipoonge.

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:

7.1.4 a)

The borders of the applicant's service area;

7.1.4 b)

The borders of the incumbent distributor's service area;

7.1.4 c)

The borders of any alternate distributor's service area, if applicable;

In response to 7.1.4 a) through c), a map of the property included as Appendix B. SNC and HOne are the only distributors in this area.

7.1.4 d)

The territory surrounding the area for which the applicant is making the SAA application;

This area is considered to be rural, it is in HOne territory.

7.1.4 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

Map of the property included as Appendix B.

7.1.4 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).

As in 7.1.2, SNC has existing assets within 200 metres of the subject property, while Hydro One's assets are approximately 800 metres away. SNC will install a line extension from pole [REDACTED] located approximately 200 metres away.

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).

The customer requesting service is proposing a residential connection, with the potential for subdividing the lot for further residential development.

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.

At the time of filing this SAA application, SNC has no plans for further expansion on lands adjacent to the area subject to this SAA.

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.

This will be the most cost-effective solution for the customer and will be the most efficient use of exiting resources and less long run economic costs.

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:

7.2.1 a)

The location of the point of delivery and the point of connection;

7.2.1 b)

The proximity of the proposed connection to an existing, well developed electricity distribution system;

Response to 7.2.1 a) and b): The locations of the point of delivery and connection to existing, well-developed systems:

- HOne – distance of approximately 800 metres.
- SNC – distance of approximately 200 metres.

7.2.1 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).

Estimated connection costs for this customer, payable to SNC, is [REDACTED]. Capital contribution amount required is noted in 7.2.1 d) response. Total cost to connect is estimated at [REDACTED]

7.2.1 d)

The amount of any capital contribution required from the customer;

Estimated Capital Contribution required payable to SNC is [REDACTED]

7.2.1 e)

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

None.

7.2.1 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;

Connecting this customer would have no impact on the reliability of the infrastructure in the area.

7.2.1 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

There is potential for growth in the area which is why SNC is looking to expand the service territory as Hydro One does not have any infrastructure nearby. It would be in the best interest of the current and future customers to expand SNC infrastructure a short distance. This expansion will allow the opportunity for future customers to attach.

7.2.1 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.

There is existing infrastructure, there will be a need to extend and add new infrastructure, approximately 6 poles.

7.3 Impacts Arising from the Proposed Amendment

Description of Impacts

7.3.1

Identify any affected customers or landowners.

The parties requesting the service area amendment are also the owners of the property at [REDACTED]. No other customers or landowners will be impacted.

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 are no anticipated impacts on costs, rates, service quality or reliability that would arise due to this SAA.

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.

There are no anticipated impacts on costs, rates, service quality or reliability that would arise due to this SAA.

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.

The addition of this customer to SNC's system is not anticipated to have any impact to either SNC's or Hydro One's distribution system.

7.3.5

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

None.

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.

None.

7.3.7

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

None.

7.3.8

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

None.

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.

No load transfers and no new retail point of supply will be created by the approval of this SAA. SNC is not a host distributor to any embedded distributors.

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

SYNERGY NORTH CORPORATION confirms that Hydro One and the potential customer has been provided with specific and factual information about the proposed service area amendment.

Regarding this SAA, e-mail correspondence between HOne and SNC consisted of:

- SNC's Initial request for appropriate contact at HOne, and HOne's reply with contacts details.
- By e-mail, a letter from SNC to HOne, with intent to file this SAA, letter from customer (included as Appendix C), and a map of the subject properties (Appendix B).
- E-mail from HOne to SNC requesting information in HOne's document "Requirements Prior to Service Area Amendments". E-mail of status update by SNC. Completed HOne document was returned by SNC by e-mail.
- E-mail from HOne requesting confirmation of the legal description of the property and a request for marked-up map of SNC's takeoff and connection points for the property. SNC responded with the requested information.
- E-mail from HOne requesting draft of this Service Area Amendment Application for approval prior to issuance of their Letter of Support as attached Appendix A. SNC provided the draft by e-mail.

7.3.11

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

Letter of Support from Hydro One attached as Appendix A.

7.3.12

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

Customer has given written notice of consent to this SAA and the preference to connect to SNC. Attached as Appendix C.

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).

There will be no asset transfers involved.

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.

Customer has given written notice of consent to this SAA and the preference to connect to SNC. Attached as Appendix C.

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.

Customer has given written notice of preference to connect to SNC. Attached as Appendix C.

APPENDIX A

Letter of Support for SAA from Hydro One



Hydro One Networks Inc.
483 Bay Street
7th Floor South Tower
Toronto, Ontario M5G 2P5
HydroOne.com

Joanne Richardson
Director, Major Projects, and
Partnerships
C 416.902.4326
Joanne.Richardson@HydroOne.com

BY EMAIL

December 4, 2024

Janice Robertson
Finance & Regulatory Assurance Manager
Synergy North Corporation
34 North Cumberland St.
Thunder Bay ON, P7A 4L4

Dear Ms. Robertson,

**RE: Synergy North Corporation Application for Service Area Amendment – Hydro One Networks Inc.
– Consent Letter**

This is to confirm that Hydro One Networks Inc. ("Hydro One") supports your application to amend the existing Synergy North Corporation (SNC) Distribution Licence as proposed in the SNC service area amendment application ("SAA Application") for 25th Side Road North, from Arthur Street to Pole Line Road in Thunder Bay Ontario (the "Subject Area").

The intent of the SAA Application is to amend SNC's distribution licence to include the property legally described as follows:

Part Lot 1, Con 3 NKR Paipoonge, Designated as Part 1 PL 55R13878 Municipality of Oliver Paipoonge.

Hydro One consents to SNC connecting the Subject Area in the manner defined in the proposed SAA Application. In providing this consent, Hydro One requests that any variation of the proposed connection that may impact Hydro One's operations in the area require Hydro One's further consent before such variations are implemented.

Should you have any questions on this correspondence, please contact Mark Ciuffo at (416) 345-5905 or via email at Mark.Ciuffo@HydroOne.com.

Sincerely,

A handwritten signature in black ink, appearing to read "P. Catalano", written over a light blue horizontal line.

Signed by Pasquale Catalano on behalf of Joanne Richardson

CC – Abdul Hussaini, Hydro One Networks Inc.

Mark Ciuffo, Hydro One Networks Inc.

APPENDIX B

Map of subject lands



APPENDIX C

Letter from Potential Customer

June 20, 2024

Synergy North
34 Cumberland St N
Thunder Bay, ON P7A 4L4
Email: mhollinger@synergynorth.ca

Attention:
Megan Hollinger
Lines & Operations Supervisor

RE: 25th Sideroad, Thunder Bay ON – Hydro power for Development Project for a potential future Residential house

To whom it may concern,

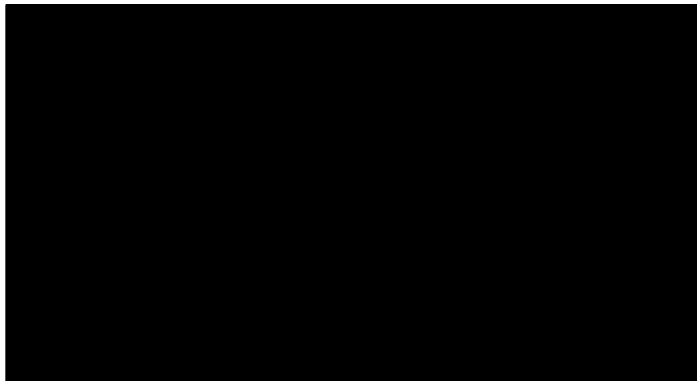
We have been informed that Synergy North will be able to supply our Residential project with Hydro Power more rapidly and economically than any other alternative supplier. As a result, please consider this letter as our intent to have Synergy North as our service provider. I am aware that the site we are hoping to develop falls within the Hydro One territory, and we understand that an application will need to be provided to the Ontario Energy Board to amend the Service Area description to include the below location.

Approximate Location – 25th Sideroad North, Thunder Bay ON
48°23'16"
89°23'19"

Please note that we have not yet proceed with legal subdividing of the property, we have requested an estimate to connect from SNC. Once we have received the estimate to bring Hydro to the property we will proceed as deemed fit.

Current Owners:
Address:
Telephone No.:
Email:

Subdivided:
Address:
Telephone No:
Email:



If there are any questions regarding this submission, please do not hesitate to contact the undersigned.

Regards,

