

#### **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 AND RESS

January 13, 2025

Ms. Nancy Marconi Registrar Ontario Energy Board Suite 2700, 2300 Yonge Street P.O. Box 2319 Toronto, ON M4P 1E4

Dear Ms. Marconi,

## RE: Service Area Amendment Application for Hydro One Networks Inc. to connect the Walker Hill Subdivision – Walkerton Ontario

Hydro One Networks Inc. ("Hydro One") is submitting this Service Area Amendment ("SAA") application ("the Application") to the Ontario Energy Board ("OEB") to request an amendment to the distribution licence of Westario's Licence (ED-2002-0515). The Application is being made specifically for the purpose of connecting the proposed development consisting of 44 residential customers.

The legal description of the land subject to this amendment is:

FIRSTLY: PART LOT 32, CONCESSION 1, NORTH OF DURHAM ROAD, BRANT, PARTS 3 & 4 PLAN 3R10756; SUBJECT TO AN EASEMENT OVER PART 4 PLAN 3R10756 AS IN R34232; SUBJECT TO AN EASEMENT OVER PART 4 PLAN 3R10756 AS IN R35700; SECONDLY: PART PARK LOT 48, PLAN 162, PARTS 1 & 2 PLAN 3R10756 SUBJECT TO AN EASEMENT OVER PART 2 PLAN 3R10756 AS IN R34232 MUNICIPALITY OF BROCKTON.

Should you have any questions on this application, please contact Mark Ciufo at (416) 345-5905 or via email at <a href="Mark.Ciufo@HydroOne.com">Mark.Ciufo@HydroOne.com</a>.

An electronic copy of this application has been submitted using the Board's Regulatory Electronic Submission System.

Sincerely,

Joanne Richardson

CC - Abdul Hussaini, Hydro One Networks Inc.

### Service Area Amendment Application Hydro One Networks Inc. And Westario Power Inc.

**January 13, 2025** 

#### 7.0 INTRODUCTION

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

Hydro One Networks Inc. ("Hydro One") is submitting this Service Area Amendment ("SAA") application ("the Application") to the Ontario Energy Board ("OEB") to request an amendment to the distribution licence of Westario Power Inc. ("Westario") (ED-2002-0515). The Application is being made specifically for the purpose of connecting the Walker Hill Subdivision ("the Customer") in Walkerton, Ontario. Hydro One's Distribution Licence (ED-2003-0043) will not require an amendment given the way Schedule 1 of its license is presented.

Geographically, the Customer's property requiring connection is partly located within Hydro One's service territory, with the other portion in Westario's service territory. Hydro One has an existing feeder with sufficient capacity that lies along this customer's connection that will facilitate connection. Conversely, Westario will need an expansion to connect and accommodate the Customer's load supply request.

Hydro One has completed the design and cost estimate and is ready to provide the Offer to Connect ("OTC") to the Customer. Hydro One considers itself to be the more economic efficient utility to serve this connection due to the existing lies along distribution infrastructure. Hydro One has received both Westario's and Customer's consent to proceed with this connection. The Customer is requesting an in-service date as soon as possible and Hydro One requests an expeditious approval from the OEB with no hearing in order to meet the needs of the Customer.

For the reasons set out below, Hydro One respectfully submits that it is in the public interest to make the necessary amendment to the licence of Westario without a hearing such that these development lands are included in Hydro One's service territory. Hydro One submits that it is the most economically rational and technically efficient option to supply the Customer. This Application is supported by the Customer and Westario, as outlined in the Letters of Support included in **Attachment 3 and Attachment 4.** 

This Application is consistent with, and satisfies the requirements outlined in, the OEB's Chapter 7 Filing Requirements for Transmission and Distribution Applications. The Application is predicated on the principles established in the Board's Decision with Reasons in the RP-2003-0044 combined service area amendments proceeding (the "Combined Proceeding").

#### 7.1 BASIC FACTS

#### GENERAL

#### 7.1.1 (a)

Provide the contact information for the applicant

Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the person

#### The Applicant:

Hydro One Networks Inc.

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 Ciufo

Regulatory Analyst, Regulatory Affairs

Phone: (416) 345-5905

Email: Mark.Ciufo@hydroone.com

#### 7.1.1 (b)

Provide the contact information for the incumbent distributor

Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the person

#### The Incumbent Distributor or Co-Applicant:

Westario Power Inc.

RR #2, 24 Eastridge Rd.

Walkerton, ON NOG 2V0

Phone: (519) 507-6937 Fax: (519) 507-6887

Email: engineering@westariopower.com

#### **Contact Person:**

Cole McKnight

Manager, Engineering

Phone: (519) 881-7349

Email: cole.mcknight@westariopower.com

#### 7.1.1 (c)

Provide every affected customer, landowner, and developer in the area that is the subject of the SAA Application

Contact information includes the name, postal address, telephone number, and, where available, the email address and fax number of the person

#### The Registered Owner/Developer or Customer(s):

Walker Hill Development Inc. 79271 Bluewater Highway RR2 Goderich, ON N7A 3X8

#### Contact Person:

Himansu Shah

Phone: (519) 955-2162 Email: hks@mahavirgroup

#### 7.1.1 (d) & (e)

Provide 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 any representative of the persons listed above including, but not limited to, a legal representative

There are no alternate distributors or other parties affected by this SAA.

#### 7.1.2 REASONS FOR APPROVAL OF THIS AMENDMENT

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

Hydro One submits that the proposed SAA is in the public interest as defined in the Combined Proceeding for the following reasons:

- 1. The proposed SAA is consistent with the objective of a rational and effective service area alignment based on both economic and engineering efficiency.
- 2. Hydro One has infrastructure that lies along the Subject Area that can provide the required electrical service.
- 3. Hydro One's connection proposal for the Subject Area is comparable to Westario in terms of system planning, safety and service reliability.
- 4. The proposed SAA will not result in stranded or duplicated assets.
- 5. The incorporation of the Subject Area Lands into Hydro One's service area will be seamless. The Subject Area Lands will be contiguous to Hydro One's existing service territory.
- 6. The Customer's preference is that Hydro One service the Subject Area.

There would be no load transfers created or eliminated as a result of the proposed SAA consistent with the Distribution System Code ("DSC").

#### 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 legal description of the land subject to this amendment is FIRSTLY: PART LOT 32, CONCESSION 1, NORTH OF DURHAM ROAD, BRANT, PARTS 3 & 4 PLAN 3R10756; SUBJECT TO AN EASEMENT OVER PART 4 PLAN 3R10756 AS IN R34232; SUBJECT TO AN EASEMENT OVER PART 4 PLAN 3R10756 AS IN R35700; SECONDLY: PART PARK LOT 48, PLAN 162, PARTS 1 & 2 PLAN 3R10756 SUBJECT TO AN EASEMENT OVER PART 2 PLAN 3R10756 AS IN R34232 MUNICIPALITY OF BROCKTON with municipal address 944 Old Durham Road. The proposed development will consist of 44 residential customers. Please see **Attachment 1** for a map showing the subject area.

Upon approval of the Application, Hydro One's licence (ED-2003-0043), will not need to be specifically updated to include this property. However, upon approval of the Application, an update will be necessary to Westario's Licence (ED-2002-0515).

Schedule 1, section 4 of Westario's distribution license will be amended as follows:

- 4. The Town of Walkerton, part of the Village of Elmwood, and the former Township of Brant, as at January 1, 1986, in the municipality of the Municipality of Brockton.
  - Excluding the following properties:
    - i. 952 Durham Road, Walkerton
    - ii. 966 Old Durham Road, Walkerton
    - iii. Walker Hill Subdivision at 944 Old Durham Road, Walkerton

#### 7.1.4

Provide one or more maps or diagrams of the area that is the subject of the SAA application.

Please refer to Attachment 1.

#### 7.1.4 (a)

Borders of the applicant's service area

Please refer to Attachment 1.

#### 7.1.4 (b)

Borders of the incumbent distributor's service area

Please refer to Attachment 1.

#### 7.1.4 (c)

Borders of any alternate distributor's service area

N/A – there are no alternate distributors surrounding this area.

#### 7.1.4 (d)

Territory surrounding the area for which the applicant is making SAA application

Please refer to Attachment 1.

#### 7.1.4 (e)

Geographical and geophysical features of the area including, but not limited to, rivers and lakes, property borders, roads, and major public facilities

Please refer to Attachment 1.

#### 7.1.4 (f)

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)

Please refer to **Attachment 1.** Hydro One will utilize the existing 4.8kV Walkerton DS #2 F2 feeder to supply the subdivision.

## 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).

This connection is for Phase 2 of the Walker Hill Subdivision for 44 residential developments.

#### 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.

The Walker Hill subdivision currently has plans for 3 Phases within the same lands. Phase 1 - lots 1-4 were connected by Hydro One, Phase 1 - lot 5 was connected by Westario, and Phase 3 is a future phase which will be connected by Hydro One. The complete development has a total of 80 lots.

Please refer to Attachment 2.

#### 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 Application represents the most economically and technically efficient way to service the area. As represented in **Attachment 1**, Hydro One has existing lies along assets with sufficient capacity to service the customer.

#### 7.2.1 ECONOMIC AND ENGINEERING EFFICIENCY

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. (NOTE: (a), (b), (c), (d), (e), (f), (g), (h))

#### 7.2.1 (a)

Location of the point of delivery and the point of connection

Hydro One will service the subject area using its existing Walkerton DS #2 F2 feeder, which lies along the subject area.

#### 7.2.1 (b)

Proximity of the proposed connection to an existing, well developed electricity distribution system

The proposed new connection lies along Hydro One's existing distribution system off Old Durham Road.

#### 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).

Hydro One connection costs are \$149,579.15.

#### 7.2.1 (d)

The amount of any capital contribution required from the customer

A capital contribution will not be required from the Customer.

#### 7.2.1 (e)

Costs for stranded equipment (i.e., lines, cables, and transformers) that would need to be deenergized or removed

There will be no equipment or assets stranded because of this SAA.

#### 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

The proposed SAA does not decrease 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

Hydro One has assets that lie along the property that can meet reasonably expected future growth in a cost-efficient manner.

#### 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.

The connection is a lies-along connection that provides service to the Customer utilizing Hydro One's existing 4.8kV feeder and has sufficient capacity to serve the forecast load growth of the area.

#### 7.3 IMPACTS ARISING FROM THE PROPOSED AMENDMENT

#### **Description of Impacts**

#### 7.3.1

Identify any affected customers or landowners.

The Subject Area is vacant land owned by the Customer. As provided at **Attachment 3**, the Customer supports the proposed amendment. There are no other customers affected.

#### 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.

Approval of this SAA will not result in any negative impacts on cost, rates, service quality, and reliability for customers in the area that is the subject of the SAA application.

#### 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.

Approval of this SAA will not result in any negative impacts on cost, rates, service quality, and reliability of any distributor outside the area that is the subject of the SAA application.

#### 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.

Approval of this SAA is not expected to have any material impact on either distributor positively or negatively.

#### 7.3.5

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

The proposed SAA will not result in the stranding of any assets, nor will any assets be made redundant.

#### 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 assets will be transferred because of the Application.

#### 7.3.7

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

Please refer to 7.1.1 (c).

#### 7.3.8

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

There will be no load transfers or retail points of supply eliminated by the Application.

#### 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 will be no new load transfers or retail points of supply created because of the Application.

#### 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.

Hydro One confirms that all affected parties have been provided with specific and factual information about the proposed SAA.

Westario is not contesting this Application as evident by the support letter provided in Attachment 4.

#### 7.3.11

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

Please refer to Attachment 4.

#### 7.3.12

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

Please refer to Attachment 3.

#### 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).

Not applicable, as there are no existing customers being transferred as a result of the Application.

#### 7.4 CUSTOMER PREFERENCE

#### 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.

Please refer to Attachment 3.

### 7.5 ADDITIONAL IMFORMATION REQUIREMENTS FOR CONTESTED APPLICATIONS

If there is no agreement among affected persons regarding the proposed SAA, the applicant must file the additional information set out below.

N/A

#### 7.5.1

If the application was initiated due to an interest in service by a customer, landowner, or developer, evidence that the incumbent distributor was provided an opportunity to make an offer to connect that customer, landowner, or developer.

N/A

#### 7.5.2

Evidence that the customer, landowner, or developer had the opportunity to obtain an offer to connect from the applicant and any alternate distributor bordering on the area that is the subject of the SAA application.

N/A

#### 7.5.3

Actual copies of, as well as a summary of, the offer(s) to connect documentation (including any associated financial evaluations carried out in accordance with Appendix B of the Distribution System Code). The financial evaluations should indicate costs associated with the connection including, but not limited to, on-site capital, capital required to extend the distribution system to the customer location, incremental up-stream capital investment required to serve the load, the present value of incremental OM&A costs and incremental taxes as well as the expected incremental revenue, the amount of revenue shortfall, and the capital contribution requested.

N/A

#### 7.5.4

If there are competing offers to connect, a comparison of the competing offers to connect the customer, landowner, or developer.

N/A

#### 7.5.5

A detailed comparison of the new or upgraded electrical infrastructure necessary for each distributor to serve the area that is the subject of the SAA application, including any specific proposed connections.

N/A

#### 7.5.6

Outage statistics or, if outage statistics are not available, any other information regarding the reliability of the existing line(s) of each distributor that are proposed to supply the area that is the subject of the SAA application.

N/A

#### 7.5.7

Quantitative evidence of quality and reliability of service for each distributor for similar customers in comparable locations and densities to the area that is the subject of the SAA application.

N/A

#### **7.6 OTHER**

It is the sole responsibility of the Applicant to provide all information that is relevant and that would assist the Board in making a determination in this matter. Failure to provide key information may result in a delay in the processing of the application or in the denial of the application.

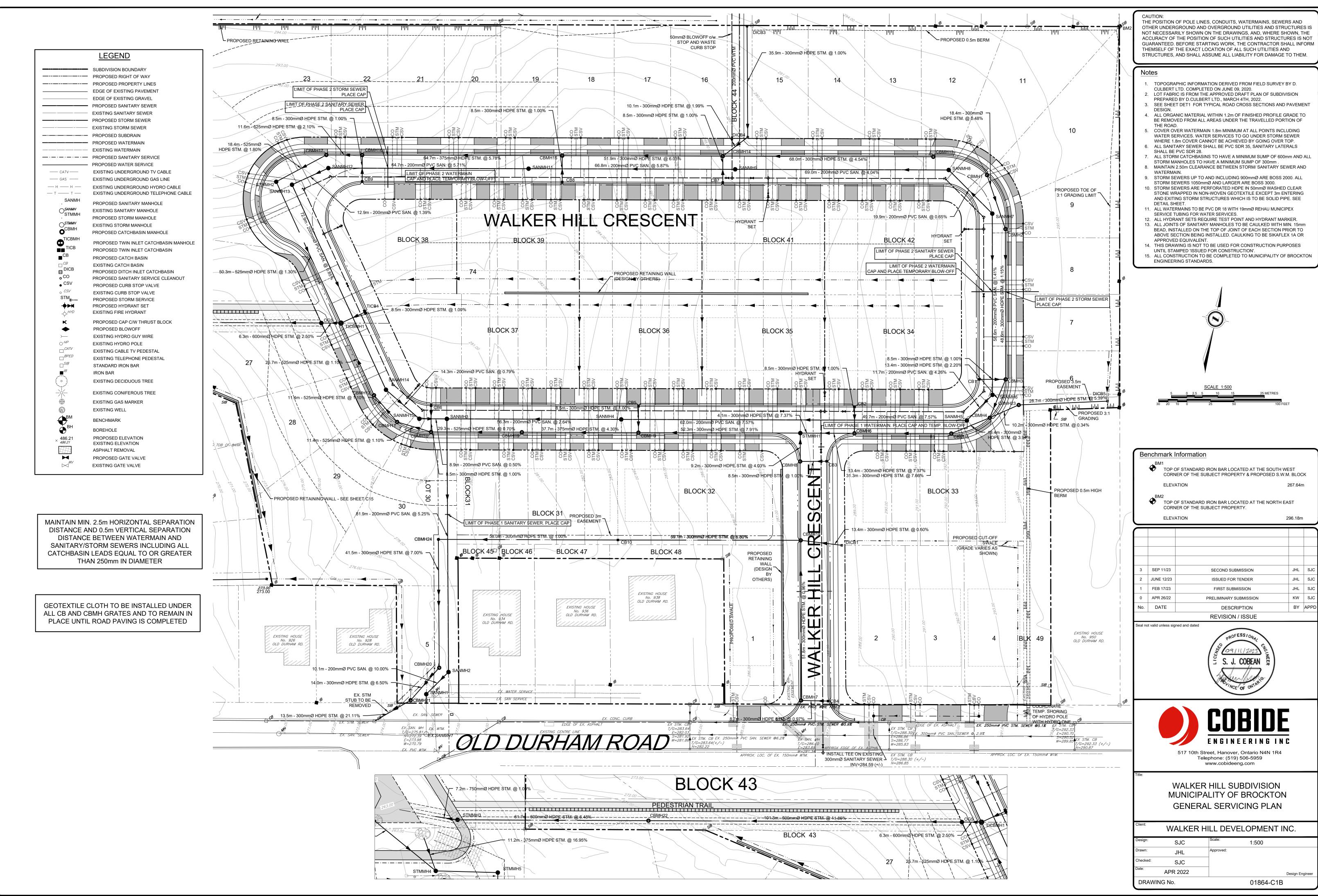
N/A

7.7 WRITTEN CONSENT/JOINT AGREEMENT	
Hydro One Networks Inc. agrees to all the statements made in the Application.	
Joanne Richardson	
Director – Major Projects and Partnerships	
Hydro One Networks Inc.	
Dated:January 13, 2025	
7.8 REQUEST FOR NO HEARING	
Does the applicant request that the application be determined by the Board without a hearing? If yes, please provide: (a) an explanation as to how no person, other than the applicant and the proposed recipient, will be adversely affected in a material way by the outcome of the proceeding AND (b) the proposed recipient's written consent to the disposal of the application without a hearing.	
Hydro One requests the application be determined by the Board without a hearing as no other person will be affected by the Application.	ected
Hydro One has received written support from both Westario and the Customer to proceed with this application with a hearing.	thout
Dotad:	

# Attachment 1 Map of Subject Area



## Attachment 2 Walker Hill Subdivision Plan



COPYRIGHT © OCOBIDE ENGINEERING INC.

## Attachment 3 Customer Support Letter

#### FROM THE DESK OF

#### WALKER HILL DEVELOPMENT INC.

79271 Bluewater Hwy RR2, Goderich, ON N7A 3X8
Email: hks@mahavirgroup.ca

Phone no.: 1-519-955-2162

Hydro One Networks Inc. 483 Bay St., 14<sup>th</sup> Floor Toronto, ON M5G2P5

Email: Abdul.Hussaini@hydroone.com

Abdul Hussaini
Sr. Network Management Officer (Dx Rationalization)
Dx Investment Planning, Dx Asset Management

Dear Abdul,

Please consider this letter as our intent to have Hydro One Networks Inc. ("Hydro One") as our service provider for the Walker Hill Subdivision that is legally described as follows: Firstly: Part Lot 32, Concession 1, North of Durham Road, former Township of Brant, Parts 3 & 4 Plan 3R-10756; Subject to an easement over Part 4 Plan 3R-10756 as in R34232; Subject to an easement over Part 4 Plan 3R-10756 as in R35700; Secondly: Part of Park Lot 48, Plan 162, Parts 1 & 2 Plan 3R-10756 Subject to an easement over Part 2 Plan 3R-10756 as in R34232, Municipality Of Brockton, County of Bruce.

I am aware that the site we are developing falls partly within Westario service territory and partly within Hydro One service territory. We understand that Hydro One will need to file an application to the Ontario Energy Board ("OEB") to amend the Service Area description to include the entirety of the subject location within Hydro One's service area.

Furthermore, we also request that OEB dispose the Service Area Amendment ("SAA") application without a hearing.

If you require anything related to this development, please contact the undersigned.

Company: Walker Hill Development Inc.

Name: Mr. Himansu Shah

Title: President

Contact Info: phone - 519-955-2162; email - hks@mahavirgroup.ca

Signature:

Original signed by Himansu Shah

931d Dee 2024

## Attachment 4 Westario Support Letter



#### **Westario Power Inc.**

24 Eastridge Road, R.R. # 2 Walkerton, ON N0G 2V0 Tel (519) 507-6937 Fax (519) 507-6787

Hydro One Networks Inc. 483 Bay St., 14<sup>th</sup> Floor Toronto, ON M5G2P5 Email: Abdul.Hussaini@hydroone.com

Abdul Hussaini Sr. Network Management Officer (Dx Rationalization) Dx Investment Planning, Dx Asset Management

Dear Abdul,

RE: Hydro One Application for Service Area Amendment – Westario Power Inc. Consent Letter

This is to confirm that Westario Power Inc. ("Westario") supports your application to amend Westario's Distribution License as proposed in Hydro One Networks Inc. ("Hydro One") service area amendment ("SAA") application for the Walker Hill Subdivision at 944 Old Durham Rd in Walkerton, ON.

The intent of the application is to amend Westario's distribution license to exclude the property legally described as follows in the SAA application:

FIRSTLY: PART LOT 32, CONCESSION 1, NORTH OF DURHAM ROAD, BRANT, PARTS 3 & 4 PLAN 3R10756; SUBJECT TO AN EASEMENT OVER PART 4 PLAN 3R10756 AS IN R34232; SUBJECT TO AN EASEMENT OVER PART 4 PLAN 3R10756 AS IN R35700; SECONDLY: PART PARK LOT 48, PLAN 162, PARTS 1 & 2 PLAN 3R10756 SUBJECT TO AN EASEMENT OVER PART 2 PLAN 3R10756 AS IN R34232 MUNICIPALITY OF BROCKTON, with municipal address **944 Old Durham Rd, Walkerton, ON.** 

Furthermore, we also request that OEB dispose the Service Area Amendment ("SAA") application without a hearing.

If you require anything related to this development, please contact the undersigned.

Original signed by Cole McKnight

Cole McKnight
Manager, Engineering
Westario Power Inc.
(519) 881-7349
cole.mcknight@westariopower.com