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June 20, 2025

Ritchie Murray Acting Registrar Ontario Energy Board 2300 Yonge Street, 27th Floor Toronto ON M4P 1E4

Dear Ritchie Murray:

Re: Nyon Oil Inc. and 1170367 Ontario Inc.

Application for Expropriation Near the City of Port Colborne

Ontario Energy Board (OEB) Staff Interrogatories

OEB File Number: EB-2024-0142

In accordance with Procedural Order No. 1, please find attached the OEB staff interrogatories for the above proceeding. This document has been sent to Nyon Oil Inc. and 1170367 Ontario Inc. (Nyon and 117) and to all other registered parties to this proceeding.

Nyon and 117 are reminded that their responses to interrogatories are due by **July 4**, **2025**. Responses to interrogatories, including supporting documentation, must not include personal information (as that phrase is defined in the *Freedom of Information and Protection of Privacy Act*), unless filed in accordance with rule 9A of the OEB's Rules of Practice and Procedure.

Yours truly,

Abla Nur Analyst, Generation & Transmission

Encl.

OEB Staff Interrogatories Nyon Oil Inc. and 1170367 Ontario Inc. (Nyon and 117) EB-2024-0142

Staff - 1

Ref: Letter to Registrar, February 5, 2025

Letter to Registrar, February 13, 2025

Schedule 28

Preamble:

In a letter to the Registrar, Nyon and 117 claim that, "due to the federal expropriations in the 1960s, the transmission infrastructure affixed to the Lands at the time of those federal expropriations transferred to the federal government, and then passed, through the chain of title, to our clients – Nyon and 117." Further, Nyon and 117 claim that they have taken action to assert their ownership of the transmission infrastructure as early as 2013 and 2015.

- a) Please identify whether the 115 kilovolt transmission lines and facilities known as the C2P and A6C transmission lines (Existing Transmission Lines) were specifically identified or referenced as being part of the land in any of the transactions (starting from the initial expropriation by the St. Lawrence Seaway Authority all the way to the final sale to Nyon) leading to Nyon's acquisition of the land, and if so, provide any relevant documentation.
- b) Please confirm that Nyon and 117 have never applied for or been issued a licence as electricity transmitters by the Ontario Energy Board (OEB) under section 57 of the *Ontario Energy Board Act*, 1998 (OEB Act).
- c) Please confirm that Nyon and 117 have never applied for or received approval to charge for the transmission of electricity, under section 78 of the OEB Act.
- d) Please confirm that Nyon and 117 have never been persons authorized by the market rules to participate in the IESO-administered markets or to cause or permit electricity to be conveyed into, through or out of the IESO-controlled grid, under the *Electricity Act*.
- e) Have Nyon or 117 ever undertaken maintenance, operation, inspection, or modification of the Existing Transmission Lines? If so, please provide details and documentation of any such activity.

- f) Have Nyon or 117 ever received revenue, rent, or other compensation relating to the Existing Transmission Lines? If so, please provide documentation of any such compensation.
- g) Have Nyon or 117 ever charged any person for the transmission of electricity?
- h) If Nyon and 117 are successful in their legal proceeding against Hydro One and their claim to own the Existing Transmission Lines is upheld, do Nyon and 117 intend to retain ownership and/or operate the Existing Transmission Lines?

Staff - 2

Ref: Schedule 21, pp. 2

Preamble:

Nyon and 117's Notice to Remove, provided to Hydro One on September 22, 2015, states that Hydro One's rights expired on July 7, 1994, on Part 38 of Reference Plan 59R-15312, and that the City of Port Colborne gave notice to Hydro One in June 2013 terminating any potential possessory rights arising from passage of time.

Additionally, Nyon and 117 state that Hydro One's rights expired on February 14, 2006, when the St. Lawrence Seaway Authority ceased to own the property.

- a) Please provide further details, if available, regarding when, in Nyon and 117's view, any rights Hydro One had to the subject lands expired on July 7, 1994, or any other date.
- b) Please provide any documentation of the June 2013 notice showing where the City of Port Colborne terminated any potential possessory rights arising from the passage of time for Hydro One.
- c) Prior to issuance of a trespass notice to Hydro One on November 28, 2024, had Nyon and 117 ever issued to Hydro One any other notices of trespass or posted signs to that effect on the property? Have Nyon and 117 ever denied Hydro One access to the lands in question to perform inspection or maintenance work?

Staff – 3

Ref: Schedule 12

Schedule 13

Preamble: The two Agreements of Purchase and Sale from the Canada Lands Company to the City of Port Colborne for the lands upon which the Existing Transmission Lines lie (which preceded the sale from Port Colborne to Nyon) specify that "The Purchaser and Vendor agree that no fixtures, building or chattels are included in the Purchase Price."

Paragraph 4 of the Agreement of Purchase and Sale between Canada Lands Company and the City of Port Colborne states that the purchaser "agrees to accept title subject to (i) all registered or unregistered agreements with...publicly or privately regulated utilities" and "(ii) all registered or unregistered easements, rights, covenants and/or restrictions in favour of...publicly or privately regulated utilities"

The Agreements of Purchase and sale contain a list of permitted encumbrances at Schedule C, which include an easement in favour of the "Hydro-Electric Power Commission of Ontario" (Schedule 12) and an "Agreement No. 15-73" between the St. Lawrence Seaway Authority and the Hydro-Electric Power Commission of Ontario regarding the permanent relocation of power lines and electricity supply facilities (Schedule 13).

- a) In Nyon's view, are the Existing Transmission Lines either fixtures or chattels on the subject lands?
- b) Did Nyon inquire into any registered or unregistered utility agreements, or easements, rights, covenants or restrictions in favour of utilities prior to its own acquisition of the property? If so, please provide any documents from that inquiry.
- c) If Nyon contends that it acquired the Existing Transmission Lines free of any Hydro One rights or interests, please discuss how that position is consistent with the City of Port Colborne's acceptance of title subject to utility rights as set out in Paragraph 4?

d) Please confirm that the easement referred to in Schedule 12 is the document provided in Schedule 1, and that the "Agreement No. 15-73" is the document provided in Schedule 6 of Nyon's evidence.

Staff - 4

Ref: Schedule 6

Preamble: The Master Agreement between the St. Lawrence Seaway Authority and the Hydro-Electric Power Commission of Ontario specifies that the Authority will pay for all of the Commission's costs for the relocation and restoration of the power lines that the Authority requires the Hydro-Electric Power Commission of Ontario to relocate on the expropriated lands.

Clause 2.3 of the Master agreement assigns any salvage value from any redundant power lines on the expropriated lands to the Hydro-Electric Power Commission of Ontario.

- a) To Nyon's knowledge, did the St. Lawrence Seaway Authority ever provide any compensation to the Hydro-Electric Power Commission of Ontario for the value of the power lines that existed on the site prior to the expropriation? In other words, was any compensation provided for the original power lines themselves as opposed to for costs related to relocation and/or restoration?
- b) Does Nyon have a view as to why any salvage value related to any redundant power lines on the expropriated lands is assigned to the Hydro-Electric Commission of Ontario if the Hydro-Electric Commission of Ontario did not own those power lines after the expropriation?