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**File No. 43925.1**

July 25, 2025

**BY EMAIL & RESS**  
**registrar@oeb.ca**

Ms. Nancy Marconi  
Ontario Energy Board  
2300 Yonge Street, 27th floor  
P.O. Box 2319  
Toronto, ON M4P 1E4

Dear Mr. Murray:

**Re: PUC (Transmission) LP (“PUCT”)**  
**EB-2023-0360 Leave to Construct Application for PUCT Project and HOSSM Station**  
**Project – Post-Hearing Filing**

In response to a letter filed by PUCT on June 20, 2025, the Ontario Energy Board (“**OEB**”) issued correspondence dated July 15, 2025 asking three questions seeking further information and clarification. PUCT’s responses are as follows:

**1. Could PUCT elaborate further on why the request is being made and whether there is a concern that Condition 2 may not be met?**

Condition 2 states that the authorization for leave to construct shall terminate 12 months from the date of the Decision and Order on August 27, 2024, unless “construction has commenced” prior to that date. The OEB has not defined what “construction has commenced” means or what actions by transmitters satisfy this requirement. PUCT is a newly formed transmitter seeking to comply with its regulatory obligations.

PUCT is seeking direction from the OEB on what actions qualify to satisfy Condition 2 for when “construction has commenced”. One possible interpretation, which PUCT does not agree with, could be that “construction has commenced” when work begins on the construction of the transmission facilities themselves, such as the line and station, and commencement of preparatory or civil works to facilitate the transmission facilities would not meet the threshold.

PUCT is of the view that commencement of construction includes the whole series of events that are prerequisites to constructing the transmission station and line, including clearing land, civil work, access roads and culvert work. The initiation of “construction” is work that is dedicated to a particular

project such that it evidences a decision to proceed with the transmission project. The preparatory work is necessary to facilitate the construction of the physical electrical components of the station and line construction work. It is on this basis that PUCT believes “construction has commenced” from the list of activities in its June 20, 2025 letter.

2. **As part of the standard conditions of approval, PUCT and HOSSM are also required to “advise the OEB of any proposed material change in the project, including but not limited to changes in: the proposed route, construction schedule, necessary environmental assessment approvals, and all other approvals, permits, licences, certificates and rights required to construct the project”. Please confirm whether there has been a material change in the project.**

As of the date of this letter there has not been a material change in PUCT’s project, however PUCT expects to be filing a letter shortly advising the OEB of two non-material station modifications related to transformer sizing and STATCOM configuration and sizing.

The change in size of the autotransformers is required to satisfy Market Rules n-1 redundancy criteria so as to provide reliable service to the load customer, Algoma Steel. Under a new SIA study currently in progress, SIA 2024-787, Algoma Steel has requested approval to operate two arc furnaces at the same time. Under this revised operating scenario, each furnace will draw 150 MW, for a combined peak load of 300 MW. PUCT determined it could provide Algoma Steel the required n-1 reliability performance with 2 – 300 MVA autotransformer units instead of 3 – 200 MVA autotransformer units.

The change in the size and configuration of the STATCOM is required due to equipment limitations relative to the original design which proposed the use of switched capacitors in conjunction with a STATCOM, i.e. a Hybrid STATCOM solution. Since it was determined from vendor responses upon tendering the equipment that 230 kV and 115 kV breakers are not able to support the extreme switching duty cycle that is anticipated, the switched capacitors were eliminated and a larger STATCOM alone (required to compensate for the capacitors removal) was determined to be the only acceptable technical solution.

These non-material changes do not impact the OEB’s analysis on whether “construction has commenced”.

3. **Please advise whether construction related to the HOSSM Station Project has started**

Please refer to the letter filed by HOSSM on July 18, 2025.

Please contact the undersigned with any questions.

Yours truly,

**BORDEN LADNER GERVAIS LLP**

A handwritten signature in cursive script, appearing to read "Colm Boyle".

Colm Boyle

CB/JV