

BY EMAIL AND RESS

August 13, 2025

Mr. Musab Qureshi
Manager of Generation & Transmission
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Mr. Qureshi,

EB-2023-0198 – Hydro One Networks Inc. Section 92 – Waasigan Project – Project Update

On April 16, 2024, the Ontario Energy Board approved Hydro One Networks Inc.'s ("Hydro One") application to construct transmission facilities in the northwest Ontario regions of Thunder Bay, Rainy River and Kenora ("**Waasigan Project**" or "**Project**") with conditions ("**Decision and Order**"). In accordance with the Conditions of Approval defined in Schedule B of the Decision and Order Hydro One is providing an update to the Project schedule.

Project Schedule Update

The Waasigan Project overall remains on schedule to be completed and in-service by December 2027. As the OEB is aware, the Project comprises two phases. Phase 1 is the section between Lakehead Transformer Station ("TS") in the municipality of Shuniah and Mackenzie TS in the town of Atikokan. Phase 2 is the section between Mackenzie TS and Dryden TS in the city of Dryden. The Independent Electricity System Operator ("IESO") recommended that Phase 1 be placed in-service as close to the end of 2025 as possible whilst Phase 2 be placed in service as soon as practicable after the energization of Phase 1.

The new forecast in-service date for Phase 1 is December 2026, while the Phase 2 in-service date remains unchanged, to occur by the end of 2027. The Project cost forecast remains unchanged to that provided in the OEB-approved leave to construct application¹.

In Hydro One's leave to construct Application², Hydro One identified the top three Project risks as: land acquisition, engagement and consultation as well as approvals, permits and authorizations. This schedule update is a reflection of these risks having materialized despite Hydro One's best efforts. Protracted engagement and consultation have resulted in delays in obtaining the necessary approvals, permits and authorizations for the Project.

Additionally, since the OEB's Decision and Order was issued, Hydro One has had to pursue expropriation authorization as a result of not acquiring all necessary land rights voluntarily.

¹ EB-2023-0198 - Exhibit B, Tab 7, Schedule, Pg. 1.

² EB-2023-0198 - Exhibit B, Tab 7, Schedule, Pg. 7.

Notwithstanding these challenges, Hydro One has undertaken available mitigation measures aimed at ensuring the total Project's in-service date of December 2027³ is maintained and cost to deliver it remains unchanged from the \$1.2 billion estimate included in the leave to construct application.

Hydro One will continue to keep the OEB informed of any further material updates to the Project.

Sincerely,

A handwritten signature in black ink, appearing to read "A. Flannery", with a horizontal line extending from the end of the signature.

Andrew Flannery on behalf of Pasquale Catalano

cc: OEB Registrar

Beverly Nollert - IESO Director, Transmission Planning

³ EB-2023-0198 - Exhibit B, Tab 11, Schedule 1, Pg. 2.