



Ontario  
Energy  
Board | Commission  
de l'énergie  
de l'Ontario

**BY EMAIL**

October 31, 2025

Ms. Ritchie Murray  
Acting Registrar  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4  
[Registrar@oeb.ca](mailto:Registrar@oeb.ca)

Dear Mr. Murray:

**Re: Ontario Energy Board (OEB) Staff  
Interrogatories to Wasaga Distribution Inc.  
Application for a Service Area Amendment to Schedule 1 Electricity  
Distribution Licence  
OEB File Number: EB-2025-0254**

Please find attached OEB staff interrogatories in the above referenced proceeding, pursuant to Procedural Order No. 2.

Please note that Wasaga Distribution Inc. is responsible for ensuring that all documents filed with the OEB, including responses to OEB staff questions and any other supporting documentation, do 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,

*Natasha Gocool*

Natasha Gocool  
Advisor, Transmission Policy & Compliance

Cc: All Parties in EB-2025-0254

**Wasaga Distribution Inc.  
EB-2025-0254**

Please note, Wasaga Distribution Inc. (WDI) is responsible for ensuring that all documents it files with the OEB, including responses to OEB staff questions and any other supporting documentation, do 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*.

**OEB Staff-1**

Ref 1: [Filing Requirements for Service Area Amendment Applications](#), March 12, 2007

Ref 2: WDI [Service Area Amendment Application](#), August 19, 2025

WDI states (ref. 2, section 1, p. 4 of 27) "HONI has no proximate infrastructure to the Subject Lands and would need to upgrade approximately 4.95 km of existing line and construct an additional 350 m of new line to make the connection. This approach would duplicate facilities already in place, introduce unnecessary cost, and create avoidable community disruption. It would also require WDI to abandon and lose its existing right-of-way along the site's access corridor - incurring real costs and permanently reducing WDI's flexibility for future system planning in the area."

1. Please describe the potential cost implications and community disruptions that could result from having duplicate facilities.
2. Please describe how the construction of new facilities by HONI on the subject land, would limit WDI's ability to plan and evolve its future system in the area.

**OEB Staff-2**

Ref 1: [Filing Requirements for Service Area Amendment Applications](#), March 12, 2007

Ref 2: WDI [Service Area Amendment Application](#), August 19, 2025

Ref. 1, section 7.4.1 states 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.

WDI states (ref. 2, section 1, p. 4 of 27) "the developers have expressed a clear preference for WDI to serve the subdivision. The Town of Wasaga Beach, as the local municipality, also supports WDI as the logical and efficient service provider."

WDI further states (ref. 2, section 5, p. 20 of 27) that “written confirmation of support has been provided by one developer and is included as part of this application.”

As noted in the application, the two developers are Primont (Wasaga 2) Inc. and Sterling Group of Companies. A letter of support for the service area amendment application was only provided by the Sterling Group of Companies.

1. Please submit copies of any letters of support from Primont (Wasaga 2) Inc. and the Town of Wasaga.

**OEB Staff-3**

**Ref 1: [Filing Requirements for Service Area Amendment Applications](#), March 12, 2007**

**Ref 2: WDI [Service Area Amendment Application](#), August 19, 2025**

Ref. 1, sections 7.3.2 and 7.3.3 requires the applicant to provide a description of any impacts on costs, rates, service quality, and reliability for customers in and out of the area that is the subject of the SAA application that arise as a result of the proposed SAA.

WDI states (ref 2, Section 1, p. 4 of 27) that “WDI’s distribution rates are materially lower than HONI’s, and WDI consistently outperforms HONI in reliability metrics, ensuring fewer and shorter outages for future residents. These benefits can be delivered without adverse impact to existing customers in either distributor’s service area.”

1. Please explain the benefits to WDI existing customers if the SAA application is approved. Please provide the supporting analysis for this response.
2. What impact would the cost of providing service by WDI to the subject land have on WDI’s ratepayers and HONI’s ratepayers? Please include the forecast incremental amount in charges to be paid to HONI as the host distributor.
3. What impact would the cost of providing service by HONI to the subject land have on WDI’s existing customers?

**OEB Staff-4**

**Ref 2: WDI [Service Area Amendment Application](#), August 19, 2025**

WDI states (ref 2, section 3.1, p. 13 of 27) that “HONI’s proposed radial connection would introduce a single point of failure, significantly increase outage exposure, and add infrastructure without adding system value.”

1. Please explain and justify the last part of this statement “add infrastructure without adding system value” and its relevance to providing service to the subject area.

**OEB Staff-5**

**Ref 2: WDI [Service Area Amendment Application](#), August 19, 2025**

WDI states (ref. 2, section 6.1.3, p. 23 of 27) that it “has proximate, upgraded distribution infrastructure available to serve the Subject Lands without the need for upstream investment.”

1. Please identify the upstream investments that WDI has already made to supply the subject area and connect the developers.
2. Please include the original capital cost and current depreciated amount of the investments made by WDI to supply the subject area.
3. Please identify when the recently upgraded infrastructure to serve the subject area was installed.
4. Please provide the amount that WDI ratepayers have paid to date on a fully allocated basis, i.e. including capital, operating and depreciation expenses for the investments made that will supply the subject area.

**OEB Staff-6**

**Ref 2: WDI [Service Area Amendment Application](#), August 19, 2025**

WDI states (ref. 2, section 3, p. 12 of 27) the “subdivision is progressing through the municipal approval process, including civil design and the preparation of Composite Utility Plans (CUPs), during which distributors are expected to resolve potential utility conflicts and confirm servicing requirements.”

1. Please explain the Composite Utility Plans process and specifically identify all of the participants in that process.
2. Please confirm whether HONI participated or was asked to participate in the preparation of the Composite Utility Plans.

**OEB Staff-7**

**Ref 2: WDI [Service Area Amendment Application](#), August 19, 2025**

WDI states (ref 2, section 3.4, p. 14 of 27) that “abandoning this infrastructure would impose direct costs on WDI, including removal and disposal expenses. More critically, it would undermine corridor rights that support future service opportunities and long-term planning.”

1. What are the direct costs that would be imposed on WDI and its ratepayers?
2. Please explain and provide support for the statement that the failure to get approval to serve the subject area would affect WDI’s corridor rights and long-term planning.

**OEB Staff-8**

**Ref 2: WDI [Service Area Amendment Application](#), August 19, 2025**

WDI states (ref 2, section 3.6, p. 16 of 27) that it “already maintains upgraded infrastructure along Morgan Road, supported by existing capacity on Feeder 1 from Municipal Station #6, with Feeder 4 from Municipal Station #3 available as a backup. The projected 2.1 MW load of the proposed subdivision can be accommodated with minimal upstream investment.”

1. Does WDI expect to upgrade Feeder 1 and Feeder 4 to serve the subject area after the residential development is completed?
2. What are WDI’s expected costs for the upgrades and how will this cost be recovered?
3. Has WDI engaged HONI to determine if the additional demand at MS#6 would require any investments by HONI to its system?

**OEB Staff-9**

**Ref 2: WDI [Service Area Amendment Application](#), August 19, 2025**

WDI states (ref. 2, section 4.1.5, p. 18 of 27) the “load is minimal and not permanent, the impact on HONI in terms of lost revenue is negligible.”

1. Please explain this statement and provide evidence to support your statement.

**OEB Staff-10**

**Ref 2: WDI [Service Area Amendment Application](#), August 19, 2025**

WDI states (ref. 2, section 4.2.4, p. 20 of 27) that WDI “will serve the customer directly using existing infrastructure within its service area, which will be upgraded as necessary.” However, (ref. 2, section 3.7, p. 16 of 27) WDI states “as part of the connection, WDI will upgrade a short section - approximately five poles - along the remaining segment of the Morgan Road corridor.”

1. Does WDI plan to install the five poles along the Morgan Road corridor before or after the residential development begins, to provide service to the subject area?
2. Please identify the impacts on WDI’s ratepayers resulting from the upgrade of a short section of the Morgan Road corridor, which involves the installation of five new poles.
3. Please identify the impacts to HONI’s ratepayers resulting from WDI upgrading the short section of the Morgan Road corridor, which involves the installation of five new poles.

**OEB Staff-11**

**Ref 2: WDI [Service Area Amendment Application](#), August 19, 2025**

**Ref 3: WDI [Supplementary Evidence](#), October 27, 2025**

WDI presented a table (ref. 2, section 6.1.3, p. 22 of 27) that it indicates “provides an apples-to-apples comparison of WDI and HONI cost estimates, isolating comparable components to highlight the true cost differences when scope differences are accounted for.”

WDI has asserted that it is not in a position to provide a Discounted Cash Flow (DCF) analysis (ref 3. Section 3, p. 4 of 11) for the expansion and connection of the development.

1. Please provide any further details on the basis for this cost comparison, including an explanation of the basis for this comparison and include any documents and or meeting notes referred to in your response.
2. Please provide a description of the information necessary to complete a DCF analysis that WDI has not received from the developer.
3. What information has WDI provided to the developer to support its assessment of the costs of connecting to WDI’s system? Please provide supporting documentation for any calculations.
4. If possible, please estimate the amount, if any, the developer is expected to be required to pay, towards the connection? If so, please provide that estimate with details of the calculations.

**OEB Staff-12**

**Ref 3: WDI [Supplementary Evidence](#), October 27, 2025**

WDI states (ref 3. section 1, p. 3 of 11) “WDI has been very clear - and has communicated this directly to HONI on multiple occasions - that it has always understood 400 45th Street would revert back to WDI’s licensed service territory if it was ever developed.”

1. Please explain this statement, including, without limitation, the basis for WDI’s understanding; and provide documentation to support the statement that WDI has communicated to HONI its view that the subject area “would revert back to WDI’s licensed service territory”.
2. Please clarify the terms of the arrangement between WDI and HONI when the subject area was transferred to HONI. Please provide any documentation to support the terms of the arrangement.