



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

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# DECISION AND ORDER

## EB-2026-0093

### **Amending the Electricity Transmission Licence of Hydro One Networks Inc. to Require it to Develop and Seek Approvals for New Transmission Lines**

**BY DELEGATION, BEFORE:** Raj Pattani  
Director,  
Strategic Policy

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**February 10, 2026**

## INTRODUCTION AND SUMMARY

Further to a directive from the Minister of Energy and Mines (Minister), the Ontario Energy Board (OEB), on its own motion, is commencing this proceeding to amend the electricity transmission licence<sup>1</sup> of Hydro One Networks Inc. (Hydro One) to require it to develop and seek approvals for two transmission line projects.

## BACKGROUND

Under section 28.6.1 of the *Ontario Energy Board Act, 1998* (Act), the Minister may issue directives to the OEB requiring the OEB to take such steps as are specified in the directive relating to the construction, expansion or reinforcement of transmission systems. Such a directive may, among other things, require the OEB to amend the licence conditions of a transmitter to require the transmitter to take the actions specified in the directive in relation to its transmission system. Such a directive may also specify whether the OEB is to hold a hearing for the purposes of implementing the directive.

On February 7, 2026, the OEB received a directive from the Minister under section 28.6.1 of the Act (Directive), which was approved by the Lieutenant Governor in Council on December 11, 2025 as Order in Council No. 1661/2025. The Order in Council accompanying the Directive states that it is critical to expand Ontario's transmission system to provide a reliable and adequate supply of electricity to Northern Ontario to support economic growth in the region, including the rapidly growing mining sector and the future and potential growth in the hydroelectric generation sector.

The Order in Council also notes that the Independent Electricity System Operator (IESO) provided its report back to the Ministry of Energy and Mines (Ministry) dated December 17, 2024, entitled "Powering Ontario's Growth Report Back: Transmission Development Plan", which identified and recommended several early actions the Government should take to advance transmission projects ahead of the completion of ongoing transmission studies underway, including the "Northern Ontario Bulk Plan". The report back recommended early development work be completed for two new single-circuit 500-kilovolt transmission lines from Essa Transformer Station near Barrie to Hanmer Transformer Station in Sudbury, and the construction of one of the single-circuit 500-kilovolt transmission lines in the near term as the appropriate transmission solution that it recommends to meet forecast electricity demand growth and system needs.

Further, the Order in Council notes that the Government's plan to alleviate bottlenecks in Ontario's transmission system so that power can be delivered where and when it is needed was signaled in the Ministry's Integrated Energy Plan, *Energy for Generations: Ontario's Integrated Plan to Power the Strongest Economy in the G7*. The Order in

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<sup>1</sup> ET-2003-0035

Council also states that the Government and the IESO are of the view that concurrently conducting development work related to additional transmission projects that may be required in the future will preserve flexibility, result in cost and time savings and support more meaningful and transparent consultations and partnerships with Indigenous communities and stakeholders.

The Directive requires the OEB to amend Hydro One's electricity transmission licence to require Hydro One to develop and seek approvals for the following transmission line projects (Projects):

- a) A new 500-kilovolt transmission line from Essa Transformer Station to Hanmer Transformer Station, including associated station facility expansions or upgrades required at the terminal stations;
- b) A second new 500-kilovolt transmission line from Essa Transformer Station to Hanmer Transformer Station, including associated station facility expansions or upgrades required at the terminal stations.

The Directive also requires that the licence conditions stipulate that the scope and timing for the development of the Projects accord with the recommendations of the IESO, and further directs the OEB to require that Hydro One provide such reporting to the OEB as the OEB may consider appropriate with respect to budget, timing and risks in relation to the development of the Projects.

In accordance with the Directive, the OEB is required to amend Hydro One's electricity transmission licence without a hearing.

This Decision and Order is being issued under delegated authority without a hearing.

## **DECISION**

Further to the Directive, the OEB is amending Hydro One's electricity transmission licence to require it to develop and seek approvals for the Projects in accordance with the recommendations of the IESO.

With respect to reporting requirements, as an initial step, the OEB is requiring Hydro One to file a copy of any recommendations received from the IESO related to the scope and timing for the development of the Projects. Further reporting requirements to enable the OEB to monitor Hydro One's progress towards the implementation of the conditions being added to its electricity transmission licence today, including budget, timing and risks, will be addressed at a later date.

**IT IS ORDERED THAT:**

1. Hydro One Networks Inc.'s electricity transmission licence ET-2003-0035 is amended by adding the following new conditions:
  - 19.13.1 The Licensee shall develop and seek approvals for the following transmission line projects:
    - a) A new 500-kilovolt transmission line from Essa Transformer Station to Hanmer Transformer Station, including associated station facility expansions or upgrades required at the terminal stations; and
    - b) A second new 500-kilovolt transmission line from Essa Transformer Station to Hanmer Transformer Station, including associated station facility expansions or upgrades required at the terminal stations.
  - 19.13.2 The scope and timing for the development of the transmission line projects set out in condition 19.13.1 shall accord with the recommendations of the Independent Electricity System Operator.
2. Hydro One Networks Inc. shall, no later than March 6, 2026, file with the OEB a copy of any recommendations received from the Independent Electricity System Operator related to the scope and timing for the development of the transmission line projects set out in condition 19.13.1 of its electricity transmission licence ET-2003-0035.

**DATED** at Toronto, February 10, 2026

**ONTARIO ENERGY BOARD**

Raj Pattani  
Director, Strategic Policy