



**Hydro One Networks Inc.**

**Application for leave to construct an electricity transmission line and to expropriate interests in certain lands in the Municipalities of Welland, Thorold and the City of Niagara**

**SCOPE OF PROCEEDING, DECISION ON ISSUES LIST AND PROCEDURAL ORDER NO. 2  
March 5, 2026**

Hydro One Networks Inc. (Hydro One) applied to the Ontario Energy Board (OEB) on November 18, 2025 under section 92 of the *Ontario Energy Board Act, 1998* (OEB Act) for an order granting leave to construct approximately 18.5 kilometres of electricity transmission line and associated facilities between Abitibi Consolidated Junction and Crowland Transformer Station in the Niagara area (Welland-Thorold Project or the Project). Hydro One has also applied to the OEB, pursuant to section 97 of the OEB Act, for approval of the form of land-use agreements offered, or to be offered, to affected landowners.

Hydro One has further indicated in its application that if leave to construct is granted, it is also requesting relief under section 99(1) of the OEB Act for an order granting authority to expropriate certain interest in lands. Hydro One noted that the expropriation relief sought is limited to a finite number of properties where Hydro One has identified issues that effectively prevent Hydro One from engaging in any discussions with the landowners as the landowners cannot be located, or title information has not provided Hydro One with accurate landowner contact information.

On February 6, 2026, the OEB issued Procedural Order No. 1 (PO #1) which, among other things, provided for comments on the OEB's standard Issues Lists for electricity leave to construct and expropriation applications and whether the expropriation relief sought by Hydro One should be part of the scope of the application. PO #1 also granted intervenor status to 2853918 Ontario Inc. (2853918), the Corporation of the City of Welland (City of Welland) and Futecan Canada Inc. (Futecan).

## Parties Submissions - Issues List and Scope of Proceeding

In response to the OEB's invitation to comment on the standard Issues List and on whether expropriation relief should be part of the scope of this application, submissions were received from FuteCAN, the City of Welland, and Hydro One. No submissions were received from 2853918.

### FuteCAN's Submission

On February 12, 2026, FuteCAN filed a letter with the OEB submitting that the Issues List for the leave to construct should be augmented to ensure that the OEB can properly assess whether Hydro One has demonstrated that its proposed routing is the preferred option, as required by sections 92 and 96 of the OEB Act. FuteCAN stated that, in particular, it seeks clarification that the Issues List expressly encompasses alternative routing options that may better satisfy the public-interest test in section 96(2) of the OEB Act by reducing capital and lifecycle costs, construction and land access risks, and risks to reliability and quality of service.

FuteCAN further submitted that its proposed additions to the Issues List can be addressed under several of the existing issues from the OEB's standard Issues Lists. However, for clarity and certainty, FuteCAN proposed the following two additions to Issues 2.1 and 3.2 of the electricity leave to construct Issues List:

1. **2.1(i)** When considering the implementation of different transmission solutions, has the applicant adequately identified, evaluated, and compared alternative routing options for the proposed transmission line, including routes that would avoid or reduce crossings of private lands, and the burial of transmission lines for a portion of the route, and has it demonstrated that the proposed route is the preferred option having regard to:
  - (a) total capital and lifecycle cost;
  - (b) constructability and construction risk;
  - (c) impacts on system reliability and quality of service; and
  - (d) risks associated with land acquisition, access constraints, and expropriation?
  
2. **3.2(i)** Are the projected capital and operating costs of the proposed route reasonable, and do they appropriately account for risks and costs associated with land access, property acquisition, and construction constraints, as compared to feasible alternative routing options?

### The City of Welland's Submission

On February 12, 2026, the City of Welland filed a letter with the OEB providing its comments on the leave to construct Issues List and the scope of proceeding. In its letter, the City of Welland stated that the routing and alignment options for the Welland-Thorold Project is an important issue to be addressed in this proceeding and this may include the impacts of the Project at a site-specific level. Therefore, the City of Welland submitted that the route options be included as a standalone issue or as a subsection in Issue "7.0 Route Map and Form of Landowner Agreements" on the electricity leave to construct Issues List.

In regard to the scope of the proceeding with respect to Hydro One's concurrent applications for leave to construct and expropriation of certain land interests, the City of Welland submitted that given the issues of routing and the possibility of Hydro One's future applications to expropriate (for the Project), the consideration of the requested authority to expropriate certain limited property interests appears premature. The City of Welland further submitted that if the OEB is inclined to permit Hydro One's requested scope of the proceeding, it does not have any comments on the standard expropriation Issues List at this time but reserves the right to raise different and/or other issues in potential future expropriation applications for the Project impacting the City's lands.

### Hydro One's Submission

Hydro One filed a letter with the OEB on February 12, 2026 in response to the submissions of Futeacan and the City of Welland. Hydro One submitted that it supports using the standard Issues List for both leave to construct and expropriation authorization for the Project, and does not agree with Futeacan's or the City of Welland's submission that the leave to construct Issues List needs to be expanded.

Hydro One submitted that the Futeacan's and the City of Welland's proposed additions seek to reopen and relitigate matters relating to transmission line routing (including alternative alignments and undergrounding options), which fall squarely within the scope of the Environmental Assessment (EA) process and are required to be considered and resolved there. Hydro One noted that issues related to the EA process are not reviewed by the OEB except to the extent that they are relevant to the OEB's consideration of price, reliability and quality of service. Hydro One further submitted that the public interest test will already be properly addressed with the standard Issues Lists, and Futeacan's proposed additions would materially broaden the proceeding beyond its proper scope by transforming the Issues List into a forum for debating previously rejected routing alternatives that were dealt with in the EA phase.

With respect to the scope of the proceeding, Hydro One submitted that it recognizes that seeking concurrent relief for leave to construct and expropriation authority is unique, however the specifics of the Project have necessitated the need for the expropriation authority to be sought concurrently. Hydro One further submitted that the fact that leave to construct and expropriation are being considered together should not alter the standard Issues List of the OEB's review, as expropriation proceedings are intended to address the necessity of taking lands required for an approved project, not to reopen or revisit the underlying routing decisions addressed through the EA and reflected in the project design advanced in the application.

### **OEB's Decision on Scope of Proceeding With Respect to Leave to Construct and Expropriation Relief**

The OEB finds that issues related to Hydro One's expropriation request will be heard, if required, separately and subsequently from issues related to its leave to construct request. Toward that end, the OEB bifurcates the application into two phases. The scope of Phase 1 will be limited to issues with respect to leave to construct of the Project (section 92 relief). If leave to construct is granted, Phase 2 will address Hydro One's request for expropriation (section 99 relief).

Reasons for this decision include:

1. Holding the two requests concurrently is not in conformance with section 99 of the OEB Act which states (emphasis added):

**99** (1) The following persons may apply to the Board for authority to expropriate land for a work:

1. Any person who has leave under this Part or a predecessor of this Part.
2. Any person who intends to construct, expand or reinforce an electricity transmission line or an electricity distribution line or make an interconnection and who is exempted under this Act from the requirement to obtain leave.

Under this section of the OEB Act, the applicant must first have leave to construct before applying to the Board for authority to expropriate land for a project. Hydro One has not been granted leave to construct for this Project, and therefore cannot apply at this time for expropriation relief related to the Project.

2. While #1 above is a complete answer to this issue, another reason why it is inappropriate to proceed with the expropriation aspect of Hydro One's application at this time is that even if Hydro One is granted leave to construct for the Project, the leave to construct hearing could result in minor route changes that might impact the property delineations for one or more properties identified for expropriation. The OEB agrees with the City of Welland on its submission that "Given the issue of routing and the possibility of future applications to expropriate, the consideration of the requested authority to expropriate certain limited property interests appears premature."

Accordingly, the OEB has determined that Phase 2 of the application will be placed in abeyance. Should the OEB grants Hydro One leave to construct relief (Phase 1 of the application), Phase 2 of the application concerning expropriation relief will proceed. At that time and as a matter of procedural fairness, Hydro One will be provided an opportunity to confirm their intention to pursue expropriation relief and, if they so choose, also to confirm the status of their application, having regard for the outcome of the leave to construct decision.

### **OEB's Decision on Issues List**

The OEB approves the use of the standard electricity transmission leave to construct Issues List for the purposes of this proceeding without any additions or modifications for reasons that follow.

As the OEB has determined that Phase 1 of this application will focus only on Hydro One's request for leave to construct the Project, the Issues List for expropriation matters in the application will not be part of Phase 1 of this proceeding. The remaining questions are whether the standard Issues List for electricity transmission leave to construct applications will be used, and whether any modifications or additions to this list will be made.

As set out above, Futecan has proposed certain specific questions related to alternative routing options for the Project that it submits should be added to the Issues List for this proceeding under the existing headings "2.0 Prices: Project Alternatives", and "3.0 Prices: Project Costs". The City of Welland has proposed that route options be included as a standalone issue or as a subsection in Issue "7.0 Route Map and Form of Landowner Agreements". Hydro One has made submissions opposing any additions to the standard Issues List.

Section 92 of the OEB Act provides that leave of the OEB must be obtained for the construction, expansion or reinforcement of an electricity transmission line. Section 96(2) of the OEB Act limits the OEB's review in an application under section 92 to the following considerations:

1. The interests of consumers with respect to prices and the reliability and quality of electricity service.
2. Supporting economic growth in a manner consistent with the policies of the Government of Ontario.

The OEB finds that to the extent that project alternatives, including route alternatives, have a material impact on the considerations set out at section 96(2), they can and should be addressed by the OEB in a proceeding under section 92. The standard Issues List has been developed based on the OEB's authority under section 96(2), and the OEB finds that it allows for routing alternatives to be considered. The OEB often considers route alternatives with respect to ensuring that the chosen option is the most cost-effective.

In the OEB's view, it is unnecessary to modify the Issues List as proposed by Futecan or the City of Welland, because in each case, the modifications sought are already within the scope of the Issues List to consider route alternatives.

The OEB acknowledges Hydro One's concern regarding the potential relitigation of issues decided in the EA process. The OEB reminds the intervenors that the OEB's review is different from a detailed consideration of route selection in an environmental assessment, which generally takes into account costs but also various other criteria. The OEB will only consider route alternatives in relation to the factors in section 96(2) of the OEB Act.

In particular, with regard to Futecan's submissions specifically, the OEB reminds Futecan that the issues that Futecan wishes to address, such as, for example, construction and land acquisition, will only be considered by the OEB insofar as they directly relate to the factors in section 96(2).

Also, both the City of Welland and Futecan are reminded that the OEB's review does not involve examining the potential impacts of a project on a site-specific, property-by-property basis, as this is outside the scope of the factors in section 96(2).

For the reasons outlined above, the Issues List for Phase 1 of this proceeding is the standard Issues List for electricity transmission leave to construct applications, without any modifications or additions. However, the OEB may update the Issues List as necessary to further define the scope of Phase 1 of the proceeding.

### **Intervenor Costs and Participation**

Intervenors should now limit their participation to the matters that are within the approved scope of this proceeding (Part 1 of the application for issues related to leave to construct of the Project), as set through the final Issues List. Cost eligible intervenors can claim all eligible costs incurred to date (including costs pertaining to both leave to construct and expropriation parts of the application as of the date of issuance of PO #2) in the cost awards process at the end of Phase 1 of this proceeding.

### **Intervenor Evidence**

Intervenors wishing to file evidence in Phase 1 of this proceeding must inform the OEB of its intention and the nature of its proposed evidence, and how it is relevant to the Issues List. If any cost eligible intervenor plans to file expert evidence in this proceeding and seek recovery of those costs, the intervenor must file a letter with the OEB describing the nature of the evidence, whether the evidence will be commissioned jointly with other intervenors, and the estimated cost. The estimated cost should include an explanation of any assumptions regarding the purpose and scope of the intervenor evidence in the proceeding and should include an estimate of any incremental time that will be spent by the intervenor's counsel or any other consultant(s) in relation to the evidence.

After reviewing the above information, the OEB will consider whether, and to what extent, any costs associated with the preparation of any intervenor evidence will be eligible for cost recovery in accordance with the OEB's [Practice Direction on Cost Awards](#).

### **Interrogatories**

At this time, the OEB finds it necessary to cancel the dates set out in PO 1 for interrogatories on Hydro One's pre-filed evidence and responses to those interrogatories. New dates have been scheduled below. The interrogatories should be within the scope of the leave to construct (Phase 1) of this application.

## Format of the Hearing

There are three types of OEB hearings: oral, electronic, and written. At this time, the OEB is making provision for written hearing.

The OEB is making provision for the following related to this proceeding. Further procedural orders may be issued by the OEB.

### THE ONTARIO ENERGY BOARD ORDERS THAT:

1. The Issues List for Phase 1 of the application, attached as Schedule A, is approved.
2. Intervenors shall inform the OEB by letter of their plans to file expert evidence in this proceeding by **March 12, 2026**. The letters shall provide a description of the nature of the evidence, whether the expert evidence will be commissioned jointly with other parties, and cost eligible intervenors shall also provide the estimated cost. The estimated cost should include an explanation of any assumptions regarding the purpose and scope of the participation of the expert in the proceeding and should include an estimate of any incremental time that will be spent by the intervenor's counsel or any other consultant in relation to the expert evidence.
3. OEB staff and intervenors shall request any relevant information and documentation from Hydro One that is in addition to the evidence already filed, by written interrogatories filed with the OEB and served on all parties by **March 12, 2026**.
4. Hydro One shall file with the OEB complete written responses to all interrogatories and serve them on intervenors by **March 26, 2026**.

### Direction for preparing materials

- Parties are responsible for ensuring that any documents they file with the OEB, such as applicant and intervenor evidence, interrogatories and responses to interrogatories or any other type of document, **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](#).
- Filings should clearly state the filing date and the sender's name, postal address, telephone number and e-mail address.

- Other than for applications or as otherwise required or directed by the OEB, parties are not required to submit a cover letter for materials that are self-evident (e.g., interrogatories, submissions) unless the cover letter includes a request or additional information not included in the materials themselves.
- Parties are strongly encouraged to use bookmarks in their filings to aid in navigation.
- Parties should not append to their evidence entire OEB documents (e.g., decisions, policy documents, guidelines). Rather, parties should provide citations to the documents and a clear and concise summary of the relevant part(s) of the document. Parties are encouraged to use hyperlinks for complete, permanent, and publicly available versions of the documents, when possible.
- Parties should refrain from quoting material from documents unless it is essential to support their interrogatories or arguments.
- Parties are not required to provide a summary of the procedural history of a proceeding but may refer to that history where and to the extent needed for context to orient an issue or discussion.
- Parties must: (a) disclose where generative artificial intelligence was used to generate content included in a filing and (b) confirm that the accuracy of the portion of the filing generated by generative artificial intelligence has been verified by the party or its representative without the assistance of generative artificial intelligence.

### How to file documents with the OEB

- Parties are required to quote file number (i.e., **EB-2025-0290**) for all materials filed and submit them in **searchable/unrestricted PDF format** (i.e., no printing or copying restrictions) with a digital signature through the [OEB's online filing portal](#).
- Parties should use the document naming conventions and document submission standards outlined in the [Regulatory Electronic Submission System \(RESS\) Document Guidelines](#) found at the [File documents online page](#) on the OEB's website.
- Parties are encouraged to use RESS. Those who have not yet [set up an account](#), or require assistance using the online filing portal can contact [registrar@oeb.ca](mailto:registrar@oeb.ca) for assistance.
- Cost claims are filed through the OEB's online filing portal. Parties are encouraged to visit the [File documents online page](#) of the OEB's website for more information. Parties that are eligible for a cost award and that do not currently have an account in the cost claim portal should create an account as soon as their cost award eligibility has been confirmed by the OEB. All parties

shall download a copy of their submitted cost claim for the purposes of service on the party(ies) paying cost awards as per the [Practice Direction on Cost Awards](#).

- All communications should be directed to the attention of the Registrar and be received by **4:45 p.m.** on the required date.
- With respect to distribution lists for all electronic correspondence and materials related to this proceeding, parties must include the Case Manager, Katherine Wang at [Katherine.Wang@oeb.ca](mailto:Katherine.Wang@oeb.ca) and OEB Counsel, Stephanie Pope at [Stephanie.Pope@oeb.ca](mailto:Stephanie.Pope@oeb.ca).

Email: [registrar@oeb.ca](mailto:registrar@oeb.ca)

Tel: 1-877-632-2727 (Toll free)

**DATED** at Toronto, **March 5, 2026**

**ONTARIO ENERGY BOARD**

Ritchie Murray  
Acting Registrar

**SCHEDULE A**  
**FINAL ISSUES LIST**  
**HYDRO ONE NETWORKS INC.**  
**EB-2025-0290**  
**DATED: MARCH 5, 2026**

## Section 92 Leave to Construct

### Final Issues List

#### 1.0 Prices: Need for the Project

**1.1** Has the applicant demonstrated that the project is needed or would be beneficial in the case of discretionary projects? What factor(s) are driving the need – e.g. new customer demand, increased system capacity requirement, reliability, sustainment, system resilience, etc.?

**1.2** Is the project consistent with any relevant power system plan (e.g., regional plan)?

#### 2.0 Prices: Project Alternatives

**2.1** Has the applicant demonstrated that the proposed project is the preferred option to address the need, as opposed to implementing a different transmission solution, a distribution solution, a non-wires solution, or some other solution?

#### 3.0 Prices: Project Cost

**3.1** Has the applicant provided sufficient information to demonstrate that the estimates of the project cost are reasonable? Are comparable projects selected by the applicant (as required by the filing requirements) sufficient and appropriate proxies for the proposed project?

**3.2** Has the applicant adequately identified and described any risks associated with the proposed project? Is the proposed contingency budget appropriate and consistent with these identified risks?

**3.3** If the applicant has requested that deferral accounts be established, has the applicant adequately demonstrated that the eligibility criteria of Causation, Materiality, and Prudence have been met?

#### 4.0 Prices: Customer Impacts

**4.1** Has the applicant correctly determined the need for and the amount of any capital contributions that are required for the project?

**4.2** Are the projected transmission rate impacts that will result from the project reasonable given the need(s) it satisfies and the benefit(s) it provides?

## **5.0 Reliability and Quality of Electricity Service**

**5.1** Has the applicant established that the project will maintain or improve reliability?

**5.2** Has the applicant provided a final System Impact Assessment (SIA)? Does the final SIA conclude that the project will not have a material adverse impact on the reliability of the integrated power system?

**5.3** Has the applicant provided a final Customer Impact Assessment (CIA)? Does the final CIA conclude that the project will not have an adverse impact on customers, with respect to reliability and quality of electricity service?

## **6.0 Economic Growth**

**6.1** Where the applicant claims that a proposed project will support economic growth in a manner consistent with the policies of the Government of Ontario, has the applicant substantiated this claim?

## **7.0 Route Map and Form of Landowner Agreements**

**7.1** Are any proposed forms of landowner agreements under section 97 of the OEB Act appropriate and consistent with OEB requirements?

**7.2** Does the route map provided pursuant to section 94 of the OEB Act show the general location of the proposed project and the municipalities, highways, railways, utility lines and navigable waters through, under, over, upon or across which the proposed project is to pass.

## **8.0 Conditions of Approval**

**8.1** The OEB's standard conditions of approval are attached as Schedule 1. If the OEB approves the proposed project, what additional or revised conditions, if any, are appropriate

**Schedule 1:****Standard Conditions of Approval for Electricity Leave to Construct Applications**

1. [The Applicant] shall fulfill any requirements of the SIA and the CIA, and shall obtain all necessary approvals, permits, licences, certificates, agreements and rights required to construct, operate and maintain the project.
2. Unless otherwise ordered by the OEB, authorization for leave to construct shall terminate 12 months from the date of the Decision and Order, unless construction has commenced prior to that date.
3. [The Applicant] shall 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.
4. [The Applicant] shall submit to the OEB written confirmation of the completion of the project construction. This written confirmation shall be provided within one month of the completion of construction.
5. [The Applicant] shall designate one of their employees as project manager who will be the point of contact for these conditions, and shall provide the employee's name and contact information to the OEB and to all affected landowners, and shall clearly post the project manager's contact information in a prominent place at the construction site.