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BY EMAIL AND RESS

March 27, 2026

Mr. Ritchie Murray
Acting Registrar
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4

Dear Mr. Murray,

EB-2026-0090 – Application for Waasigan Transmission LP Licensing and Deferral Account & Hydro One Networks Inc. Asset Divestiture Approvals Regarding the Waasigan Project

Pursuant to sections 21, 57(b), 60, 78, and 86 of the *Ontario Energy Board Act, 1998* (the "Act") Hydro One Networks Inc. ("HONI") on behalf of a newly created transmission company called Waasigan Transmission LP ("WTLP") seeks the Ontario Energy Board's ("OEB" or "Board") approval for an Order or Orders for the following three interrelated requests.

- Approval to secure an electricity transmission licence for WTLP, pursuant to s.60 of the Act;
- Approval for HONI to sell certain assets related to HONI's Waasigan Project ("the Project") assets to WTLP, pursuant to s.86(1)(b) of the Act; and
- Approval to establish a deferral account to record WTLP's revenue requirement prior to its inclusion in Ontario Uniform Transmission Rates, pursuant to s.78(1) of the Act. WTLP plans to file a revenue requirement application later this year under a separate docket number.

WTLP is a partnership formed to own certain assets related to the Project. The Project was originally approved by the Board under section 92(1) of the Act, on April 16, 2024, pursuant to proceeding EB-2023-0198. The Project is expected to be in-serviced in two distinct phases. Phase 1 is expected to be in-serviced on or about November 15, 2026. Phase 2 is expected to be in-serviced around December 2027. Ultimately, HONI intends to sell equity interests to up to nine separate third parties representing First Nations communities who were instrumental in allowing the Project to go forward and are supporting the Project to completion. The sale will be done in two tranches aligning with when each of the Project's phases are placed in-service.

The applicants confirm that the documents filed in support of the referenced application do not include any personal information under the Freedom of Information and Protection of Privacy Act (Ontario) ("FIPPA") with respect to this Application. Any FIPPA related information in the Application has been redacted.

The applicants respectfully request and consent that the OEB review, consider, and dispose of the requested relief sought in the attached Application without a hearing at its earliest opportunity.

An electronic copy of this Application has been filed through the OEB's Regulatory Electronic Submission System.

Sincerely,

Pasquale Catalano

ONTARIO ENERGY BOARD

IN THE MATTER OF sections 21, 57(b), 60, 70, 74, 78, and 86 of the *Ontario Energy Board Act* 1998, S.O, (the "**Act**").

AND IN THE MATTER OF an application made by Waasigan Transmission LP for approval of an electricity transmission licence.

AND IN THE MATTER OF an application made by Hydro One Networks Inc. and Waasigan Transmission LP for approvals to transfer transmission assets from Hydro One Networks Inc. to Waasigan Transmission LP in 2026.

AND IN THE MATTER OF an application made by Waasigan Transmission LP for approval to establish a deferral account to record associated revenue requirement for the assets.

APPLICATION FOR WAASIGAN TRANSMISSION LP AND HYDRO ONE NETWORKS INC. APPROVALS FOR THE WAASIGAN PROJECT

JOINT SUBMISSION

March 27, 2026

TABLE OF CONTENTS

1.0 INTRODUCTION

1.1 This Application is made on behalf of Hydro One Networks Inc. (“HONI”) and Waasigan Transmission LP (“WTLP”). It is made in support of three interrelated requests for Ontario Energy Board (“OEB” or “Board”) relief.

- First, a request by WTLP, pursuant to section 60 of the Act, to secure a transmitter licence allowing WTLP to own, operate, and maintain transmission assets in Ontario.
- Second, a request by HONI, pursuant to section 86(1)(b) of the Act, for approval to sell certain transmission assets located between Lakehead Transmission Station (“TS”) and Mackenzie TS. These assets will be hereafter described as the ‘Transferred Assets’, as defined in section 1.3, below. The proposed purchaser of these assets is WTLP, a newly formed limited partnership.
- Third, a request by WTLP, pursuant to section 78(1) of the Act, for approval to establish a deferral account to recognize and record associated revenue requirement for the Waasigan Project (as defined in section 1.4, below), once placed in-service up until the OEB-approved effective date of a subsequent WTLP revenue requirement application for those in-service assets. Subject to approvals of the requests sought herein and further direction from the OEB, WTLP expects to file a transmission revenue requirement application later this year for the period beginning in 2027.

1.2 Subject to approval of the relief described above, and agreements being finalized as currently contemplated, subsequent transactions will include the sale of minority interests in WTLP with up to nine First Nations communities currently being represented by three parties, as follows: (1) the Gwayakocchigewin Limited Partnership (“GLP”), which represents seven of the nine First Nations partnering with HONI on the Waasigan Transmission Line Project (Eagle Lake First Nation, Fort William First Nation, Gakijiwanong Anishinaabe Nation, Lac Seul First Nation, Nigigoonsiminikaaning First Nation, Ojibway Nation of Saugeen and Seine River First Nation); (2) the Nezaadiikaang Economic Development LP, which represents Lac des Mille Lacs First Nation (“LDML”); and (3) Wabigoon Lake Ojibway Nation

("WLON"). Subject to regulatory approvals and First Nations choosing to exercise their right to purchase, the relief sought is intended to enable First Nations communities to purchase up to a 49.99% equity interest in WTLP, as limited partners. Based on the findings of EB-2013-0080[1], an application for the sale of those shares in the licenced transmitter is not being sought in this Application. The general partner, Waasigan Transmission GP Inc. ("WTGP"), will be a majority-owned (50.01%) subsidiary of Hydro One Inc. The aforementioned First Nations will collectively own the remaining shares in WTGP.

1.3 The approvals sought are conditions precedent to a commercial transaction contemplated by the parties involved. Satisfactory approval of all three requests for relief as documented in this Application is necessary for the proposed transactions to take effect.

The purpose of these three requests is to give effect to the key commercial arrangements between HONI and its First Nation partners. These commercial arrangements facilitate the development, construction, and in-service operation of HONI's Waasigan Transmission Line Project, which is comprised of two phases, as follows: (i) Phase 1 being 230 kV transmission line circuits known as A30L and A31L between Lakehead TS and Makenzie TS ("Phase 1" or the "Transferred Assets"); and (ii) Phase 2 being a single circuit transmission line circuit known as D32A between Makenzie TS and Dryden TS ("Phase 2"). Collectively both phases and the corresponding station works at the terminal stations are referred to as the "Waasigan Project" or the "Project".

1.4 The Project was initiated by the Minister of Energy through an Order in Council ("OIC")[2] dated December 11, 2013, with the approval of the Lieutenant Governor in Council issued in an OIC, declaring that construction of the Project was needed, in accordance with s.28.6 of the OEB Act. Completion and operation of the Project will

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[1] In the Decision and Order of EB-2013-0080, the OEB ruled that, "the wording of subsection 86(2)(a) of the Act does not cover the acquisition of an interest in a limited partnership".
[2] The OIC was filed a Attachment 1 to Exhibit B, Tab 3, Schedule 1, in the Project Leave to Construct application EB-2023-0198.

satisfy the need identified in the OIC and Minister's Directive for the Project. The Project was originally approved by the OEB under section 92(1) of the Act, on April 16, 2024, pursuant to proceeding EB-2023-0198.[3]

1.5 HONI's Leave to Construct application for the Project included a forecast cost for the total Project of approximately $1,200.0 million with in-service dates of Phase 1 and Phase 2 being December 2025 and December 2027, respectively. HONI subsequently notified the OEB of the change of in-service date for Phase 1, being December 2026, via letter[4]. As of the date of submission of this Application, HONI's cost to complete the line facility work for Phase 1 is forecast to be $546 million, and Phase 1 is expected to be in-serviced on or around November 15, 2026, with the potential to be placed in-service up to 15 days earlier at the start of November 2026. The forecast cost to complete the total Project remains unchanged from the cost forecast in the Leave to Construct application.

1.6 In HONI's request for Leave to Sell pursuant to section 86(1)(b) of the Act, the cost of the Transferred Assets is forecast to be approximately $546 million. These Phase 1 transmission line costs are consistent with the costs that have been recorded and tracked in the Affiliate Transmission Projects ("ATP") Regulatory Account, consistent with the OEB's decision in the proceeding in which the establishment of the ATP Regulatory Account was approved.[5]

1.7 The balance of the total Phase 1 cost related to HONI's Waasigan Project is the transmission station costs of approximately $155 million. These costs are related to the station facility assets beyond the transmission line demarcation points, which will not be included in the proposed sale of assets. These assets will be owned and operated by HONI. For greater certainty, the transmission station facility assets are not the subject of this Application.

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[3] EB-2023-0198 - OEB Decision and Order
[4] EB-2023-0198 – Hydro One Project Update Letter – Filed August 13, 2025
[5] EB-2021-0169 – OEB Decision and Order – Issued October 7, 2021

1.8 HONI and WTLP respectfully request that any Project cost variance to the forecasts provided above be adjudicated as part of a subsequent revenue requirement proceeding to be filed by WTLP later this year.

1.9 Given the information provided in this application, HONI and WTLP are consenting that this proceeding be disposed of without a hearing pursuant to section 21(4) of the Act.

1.10 The remainder of this submission provides additional information regarding the proposed transaction, organized as follows:
Section 2 – Details the requested approvals as part of this Application
Section 3 – Describes the parties involved in the proposed transaction
Section 4 – Details the application for a transmission electricity licence
Section 5 – Details the application to transfer transmission assets
Section 6 – Details the application for a deferral account to record revenue requirement
Section 7 – Provides final considerations related to this Application
Section 8 – Supporting Appendices.

2.0 REQUESTED RELIEF

2.1 HONI hereby requests the following:

- Permission to complete the sale of the Transferred Assets to WTLP, authorized under section 86(1)(b) of the Act; and
- Such other relief as HONI may request and the OEB determines to be just and reasonable.

2.2 WTLP hereby requests the following:

- Approval for an Ontario Transmitter Licence to own, operate, and maintain the Waasigan Project as part of its transmission system, authorized under section 60 of the Act.

- Permission to use USGAAP as its accounting standard for the purposes of rate setting, regulatory accounting, and regulatory reporting, as authorized under section 74 of the Act.
- Approval for a deferral account authorized under section 78(1) of the Act to record revenue requirement for a portion of time in which any WTLP-owned assets comprising the Project are placed in service up until the OEB-approved effective date of a subsequent WTLP revenue requirement application.
- Such other relief as WTLP may request and the OEB determines to be just and reasonable.

3.0 DESCRIPTION OF PARTIES INVOLVED IN THE PROPOSED TRANSACTION

3.1 This section provides a description of the parties involved in the proposed transaction.

Hydro One Networks Inc. ("HONI")

3.2 HONI is a wholly-owned subsidiary of Hydro One Inc., which in turn is a wholly-owned subsidiary of Hydro One Limited, a publicly listed business corporation. An organizational chart for the Hydro One Limited group of companies is found in **Appendix 1A**.

3.3 Hydro One Limited, through its subsidiaries, is the largest transmitter and distributor of electricity in Ontario serving customers throughout the entire province, and owns approximately 94% of the transmission assets in Ontario[6] comprised of approximately 30,000 circuit kilometres of high-voltage lines and towers operating at 500 kV, 230 kV or 115 kV. The distribution system delivers electricity at voltages below 50 kV to 1.5 million homes, farms and businesses. It does this through its network of distribution poles and power lines comprising 126,000 circuit kilometres, which is larger than all other Ontario distributors combined. The audited Financial

[6] Hydro One Networks Inc. owns and operates approximately 94% of the transmission system in Ontario when based on the total OEB approved 2025 UTR revenue requirement per EB-2025-0232.

Statements of Hydro One Limited for 2024[7] and 2025[8] and all other information that Hydro One Limited has filed with the Ontario Securities Commission for the past two years is available through SEDAR at www.sedar.com.

3.4 HONI will act as a limited partner of WTLP and will own substantially all of Hydro One Limited's interest in WTLP.

Waasigan Transmission GP Inc. ("WTGP")

3.5 WTGP will hold the general partner interests and carry out the general partner responsibilities of WTLP, including management and oversight of WTLP. WTGP will be responsible for ensuring that the assets transferred to WTLP are operated and maintained in accordance with all applicable regulatory standards and HONI's maintenance and operating practices. WTGP will carry out these functions through an operations and management services agreement with HONI.

3.6 As general partner of WTLP, WTGP will confirm that all applicable regulatory requirements are being followed after completion of the transactions.

3.7 The existing and future contemplated organizational structure of WTGP is provided as **Appendix 1B.**

First Nations Partners

3.8 HONI has offered equity partnership to nine First Nation communities named below:

- Eagle Lake First Nation,
- Gakijiwanong Anishinaabe Nation,
- Fort William First Nation,
- Seine River First Nation,

[7] Hydro One Limited - 2024 Audited Annual Financial Statement is available at: https://www.hydroone.com/investorrelations/Reports/2024%20YE%20HOL%20FS.pdf
[8] Hydro One Limited - 2025 Audited Annual Financial Statement is available at: https://www.hydroone.com/investorrelations/Reports/Hydro%20One%20Limited%204Q25%20Results.pdf

- Lac Seul First Nation,
- Nigigoonsiminikaaning First Nation
- Ojibway Nation of Saugeen
- Lac des Mille Lacs First Nation, and
- Wabigoon Lake Ojibway Nation.

Subject to regulatory approvals and First Nations choosing to exercise their right to purchase, this relief sought is intended to enable First Nations communities to purchase an equity interest in WTLP, as limited partners, via their respective commercial entities.

3.9 First Nation support is critical to the Project. The established relationship and continued cooperation between the First Nation partners and HONI is critical to ensuring a timely and efficient in-servicing of the Project. HONI acknowledges that Indigenous communities have unique historic and cultural relationships with their land and a unique knowledge of the natural environment. Through a community led approach to engagement, topics identified as being priorities of the communities included environmental protection, employment, training, contracting and economic participation. Having meaningful participation and input into the decision making on the Project will benefit the Ontario bulk electricity system and ultimately electricity customers across Ontario.

4.0 APPLICATION FOR TRANSMISSION ELECTRICITY LICENCE IN ACCORDANCE WITH SECTION 60 OF THE ACT

4.1 WTLP is applying for a licence to own, operate and maintain electricity transmission assets associated with the Project. Please see **Appendix 2** for the OEB section 60 form.

4.2 WTLP is also seeking permission to use US GAAP as its accounting standard for the purposes of rate setting, regulatory accounting, and regulatory reporting, authorized under section 74 of the Act. In this regard, WTLP relies on the following provisions of the Act:

- Subsection 70(1), which states that a licence under this Part may prescribe the conditions under which a person may engage in an activity set out in section 57 and a licence may also contain such other conditions as are appropriate having regard to the objectives of the OEB and the purposes of the Electricity Act, 1998; and
- Subsection 70(2), which gives examples of conditions that may be included in a licence provisions, one of which, as set out in paragraph (f), is a condition requiring the licensee to maintain specific accounting records, prepare accounts according to specified principles and maintain organizational units or separate accounts for separate businesses in order to prohibit subsidies between separate businesses.

4.3 Both HONI's distribution and transmission businesses have received OEB approval to utilize US GAAP as its approved framework for rate setting, regulatory accounting and regulatory reporting. Approval to use US GAAP for WTLP will facilitate Hydro One Limited's consolidated reporting for securities filing purposes, thus avoiding incremental costs and/or reduced productivity.

5.0 APPLICATION TO TRANSFER TRANSMISSION ASSETS IN ACCORDANCE WITH SECTION 86(1)(B) OF THE ACT

5.1 HONI is applying for the sale of the Transferred Assets, as such term is defined in section 1.3, but which generally consists of certain transmission line assets located between Lakehead TS and Makenzie TS. Please see **Appendix 3** for the OEB section 86(1)(b) form.

5.2 The proposed assets to be transferred, as the subject of this Application, substantially consist of new assets that include the 230 kV double-circuit transmission line, approximately 190km between Lakehead TS and Mackenzie TS and the circuit nomenclature being known as A30L and A31L. As outlined above, these line assets are known as Phase 1 of the Waasigan Project, excluding the transmission station assets.

5.3 The Transferred Assets include steel transmission towers, the transmission conductor, the insulators and hardware affixed to the towers. The assets are to be placed into operation in accordance with approvals made in respect of the OEB approvals received in the leave to construct proceeding.[9]

5.4 The estimated future gross book value of the Transferred Assets from Phase 1 is forecast to be approximately $546 million.

5.5 The Transferred Assets are expected to be placed in-service on or about November 15, 2026.

5.6 The costs provided herein represent HONI's current estimate of the Phase 1 line project costs. These estimates are of high quality and are not expected to differ substantially from the final amount. The final revised estimate including any variances from the forecast provided herein will be highlighted and evidence provided for testing and adjudication as part of the revenue requirement application expected to be filed by WTLP later this year.

5.7 The sale of the Waasigan Project transmission line assets (both Phase 1 being contemplated now, and Phase 2[10] at a later date), will be effected through asset sale agreements made between WTLP and HONI. Preparation of these agreements are underway. The sale of the assets described in the agreement will take place following receipt of all necessary approvals.

5.8 Phase 2 transmission line assets of approximately $440 million, are expected to be in-service around December 2027. Once in-serviced, HONI expects to apply for relief under section 86.2(b) to sell these assets to the same Limited Partnership. That application is anticipated to be filed in Q2 2027.

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[9] EB-2023-0198

[10] Transfer of Phase 2 of the Waasigan Project will be contemplated at a latter time, and subject of a separate future application.

5.9 It is expected that following the transfer of the transmission assets, WTLP will enter into an operations and management services agreement with HONI, in compliance with the *Affiliate Relationships Code for Electricity Distributors and Transmitters*, for the provision of services for the ongoing operation and management of the Transferred Assets and to ensure adherence to all applicable OEB licence, code and rule requirements. The form of the contemplated operations and management services agreement will fundamentally align with similar agreements executed previously by HONI, such as the agreements between B2M Limited Partnership ("B2M LP") and HONI; Niagara Reinforcement Limited Partnership ("NRLP") and HONI; and Chatham x Lakeshore Limited Partnership ("CLLP") and HONI.

5.10 The change in structure from a single owner to multiple potential partners will not result in a material change in the way the Transferred Assets will be operated and maintained. As stated, HONI will remain the party primarily responsible for the ongoing operation and management of the Transferred Assets via an operations and management services agreement. This agreement will employ the same resources and standards used by HONI today in operating and managing similar assets in its transmission business, including the assets of B2M LP, NRLP and CLLP.

6.0 APPLICATION FOR A DEFERRAL ACCOUNT TO RECORD REVENUE REQUIREMENT

6.1 WTLP is requesting OEB approval to establish a new deferral account for the purpose of recording revenue requirement relating to the Project for periods when Project assets will be in-serviced prior to the effective date of an OEB-approved revenue requirement for WTLP. Please see **Appendix 5** for the deferral account application.

6.2 WTLP is expecting to submit a revenue requirement application for the Transferred Assets later this year for approval of final rates for Phase 1, with recovery beginning in 2027. If WTLP's 2027 revenue requirement for Phase 1 is not approved by the OEB in time to be recovered from Ontario ratepayers in 2027 Uniform Transmission

Rates ("UTRs"), WTLP proposes to continue to use the deferral account to record revenue requirement until the OEB-approved effective date of WTLP's revenue requirement application.

6.3 For regulatory efficiency purposes, WTLP is also proposing that the establishment of this requested deferral account also be available for a similar treatment for Phase 2 of the Project, for the period of time when the transferred Phase 2 assets are placed in-service and prior to when an OEB-approved revenue requirement for Phase 2 of the Project is approved. As outlined above, Phase 2 of the Project is expected to be in-service in December 2027.

7.0 FINAL CONSIDERATIONS

7.1 The proposed transaction is in the public interest and is consistent with the objectives found in the Ontario Energy Board Act, 1998. Completion of the Project will provide a number of benefits to the electricity grid and satisfy the transmission priorities and objectives identified by the Minister of Energy in the aforementioned Order-In-Council.

7.2 This partnership is also an important step towards creating co-operative economic opportunities for First Nations that is embodied in HONI's 50/50 First Nations Equity Partnership Model. The transaction will provide these First Nations communities with the opportunity to invest in the Transferred Assets by acquiring an interest in the partnership. This partnership was a key factor in enabling the Project to move forward to completion as expeditiously as it has.

7.3 The proposed transaction will include a provision to retain HONI as the operator of the Transferred Assets after the Project is in-serviced. This will ensure that the assets are operated in a safe, reliable manner consistent with how transmission assets in Ontario are currently managed by HONI.

7.4 Timely consideration of this Application is essential to the parties. Expeditious approval will permit the financing of the equity component of certain First Nations partners and permit the transaction to be brought to conclusion.

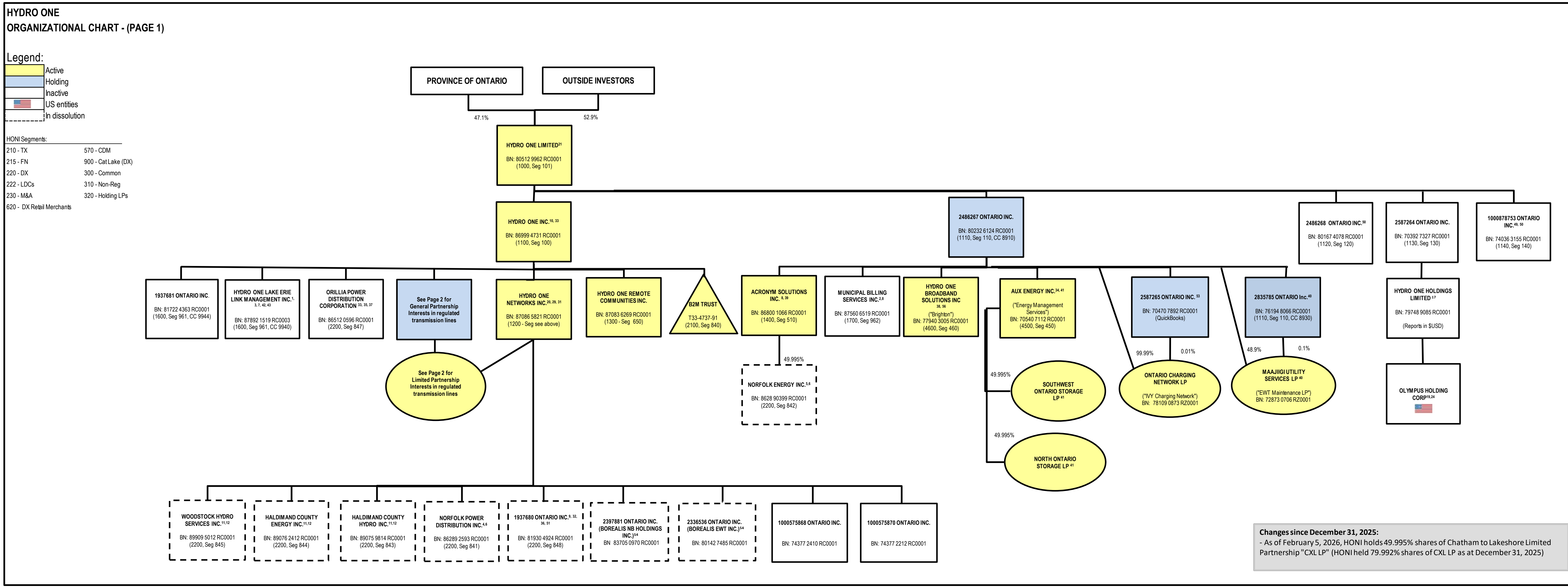
8.0 SUPPORTING APPENDICES

Appendix 1A - Hydro One's Organizational Chart
Appendix 1B - WTLP's Current and Future Organizational Chart
Appendix 2 - WTLP's Application for an Electricity Transmission Licence (OEB Section 60 Form)
Appendix 3 - Hydro One Network Inc.'s Application to Sell Waasigan Project Assets to WTLP (OEB Section 86(1)(b) form)
Appendix 4 - Map of the Waasigan Transmission Line Project Area
Appendix 5 - WTLP's Application for a Deferral Account

APPENDIX 1A

HYDRO ONE'S ORGANIZATIONAL CHART

HYDRO ONE'S
ORGANIZATIONAL CHART



HYDRO ONE
ORGANIZATIONAL CHART - (PAGE 1)
Legend:
Active
Holding
Inactive
US entities
In dissolution
HONI Segments:
210 - TX
215 - FN
220 - DX
222 - LDCs
230 - M&A
620 - DX Retail Merchants
570 - CDM
900 - Cat Lake (DX)
300 - Common
310 - Non-Reg
320 - Holding LPs
PROVINCE OF ONTARIO
OUTSIDE INVESTORS
47.1%
52.9%
HYDRO ONE LIMITED[21] BN: 80512 9962 RC0001 (1000, Seg 101)
HYDRO ONE INC.[10, 33] BN: 86999 4731 RC0001 (1100, Seg 100)
2486267 ONTARIO INC. BN: 80232 6124 RC0001 (1110, Seg 110, CC 8910)
2486268 ONTARIO INC.[50] BN: 80167 4078 RC0001 (1120, Seg 120)
2587264 ONTARIO INC. BN: 70392 7327 RC0001 (1130, Seg 130)
1000878753 ONTARIO INC.[49, 50] BN: 74036 3155 RC0001 (1140, Seg 140)
1937681 ONTARIO INC. BN: 81722 4363 RC0001 (1600, Seg 961, CC 9944)
HYDRO ONE LAKE ERIE LINK MANAGEMENT INC.[1, 3, 7, 42, 43] BN: 87892 1519 RC0003 (1600, Seg 961, CC 9940)
ORILLIA POWER DISTRIBUTION CORPORATION[33, 35, 37] BN: 86512 0596 RC0001 (2200, Seg 847)
See Page 2 for General Partnership Interests in regulated transmission lines
HYDRO ONE NETWORKS INC.[20, 29, 31] BN: 87086 5821 RC0001 (1200 - Seg see above)
HYDRO ONE REMOTE COMMUNITIES INC. BN: 87083 6269 RC0001 (1300 - Seg 650)
B2M TRUST T33-4737-91 (2100, Seg 840)
ACRONYM SOLUTIONS INC.[8, 39] BN: 86800 1066 RC0001 (1400, Seg 510)
MUNICIPAL BILLING SERVICES INC.[2,8] BN: 87560 6519 RC0001 (1700, Seg 962)
HYDRO ONE BROADBAND SOLUTIONS INC[38, 56] ("Brighton") BN: 77940 3005 RC0001 (4600, Seg 460)
AUX ENERGY INC.[34, 41] ("Energy Management Services") BN: 70540 7112 RC0001 (4500, Seg 450)
2587265 ONTARIO INC.[53] BN: 70470 7892 RC0001 (QuickBooks)
2835785 ONTARIO Inc.[40] BN: 76194 8066 RC0001 (1110, Seg 110, CC 8930)
HYDRO ONE HOLDINGS LIMITED[17] BN: 79748 9085 RC0001 (Reports in $USD)
See Page 2 for Limited Partnership Interests in regulated transmission lines
49.995%
NORFOLK ENERGY INC.[5,6] BN: 8628 90399 RC0001 (2200, Seg 842)
49.995%
SOUTHWEST ONTARIO STORAGE LP[41]
49.995%
NORTH ONTARIO STORAGE LP[41]
99.99%
0.01%
ONTARIO CHARGING NETWORK LP ("IVY Charging Network") BN: 78109 0873 RZ0001
48.9%
0.1%
MAAJIIGI UTILITY SERVICES LP[40] ("EWT Maintenance LP") BN: 72873 0706 RZ0001
OLYMPUS HOLDING CORP[19,24]
WOODSTOCK HYDRO SERVICES INC.[11,12] BN: 89909 5012 RC0001 (2200, Seg 845)
HALDIMAND COUNTY ENERGY INC.[11,12] BN: 89076 2412 RC0001 (2200, Seg 844)
HALDIMAND COUNTY HYDRO INC.[11,12] BN: 89075 9814 RC0001 (2200, Seg 843)
NORFOLK POWER DISTRIBUTION INC.[4,6] BN: 86289 2593 RC0001 (2200, Seg 841)
1937680 ONTARIO INC.[9, 32, 36, 51] BN: 81930 4924 RC0001 (2200, Seg 848)
2397881 ONTARIO INC. (BOREALIS NB HOLDINGS INC.)[54] BN 83705 0970 RC0001
2336536 ONTARIO INC. (BOREALIS EWT INC.)[54] BN: 80142 7485 RC0001
1000575868 ONTARIO INC. BN: 74377 2410 RC0001
1000575870 ONTARIO INC. BN: 74377 2212 RC0001
Changes since December 31, 2025:
- As of February 5, 2026, HONI holds 49.995% shares of Chatham to Lakeshore Limited Partnership "CXL LP" (HONI held 79.992% shares of CXL LP as at December 31, 2025)

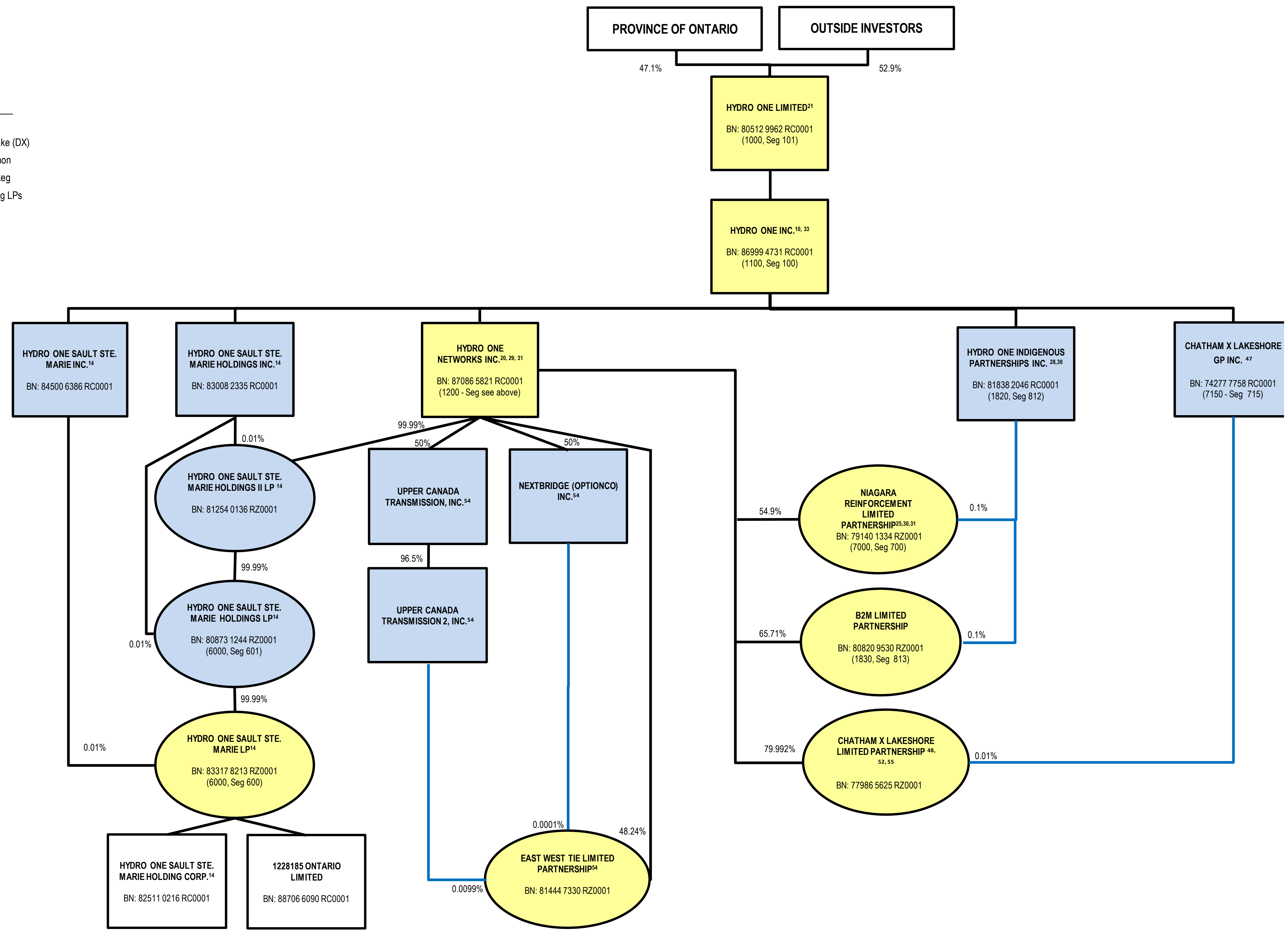
HYDRO ONE

ORGANIZATIONAL CHART (PAGE 2 - PARTNERSHIP INTEREST)

Legend:

- Active
- Holding
- Inactive
- US entities
- In dissolution

HONI Segments:	
210 - TX	570 - CDM
215 - FN	900 - Cat Lake (DX)
220 - DX	300 - Common
222 - LDCs	310 - Non-Reg
230 - M&A	320 - Holding LPs
620 - DX Retail Merchants	



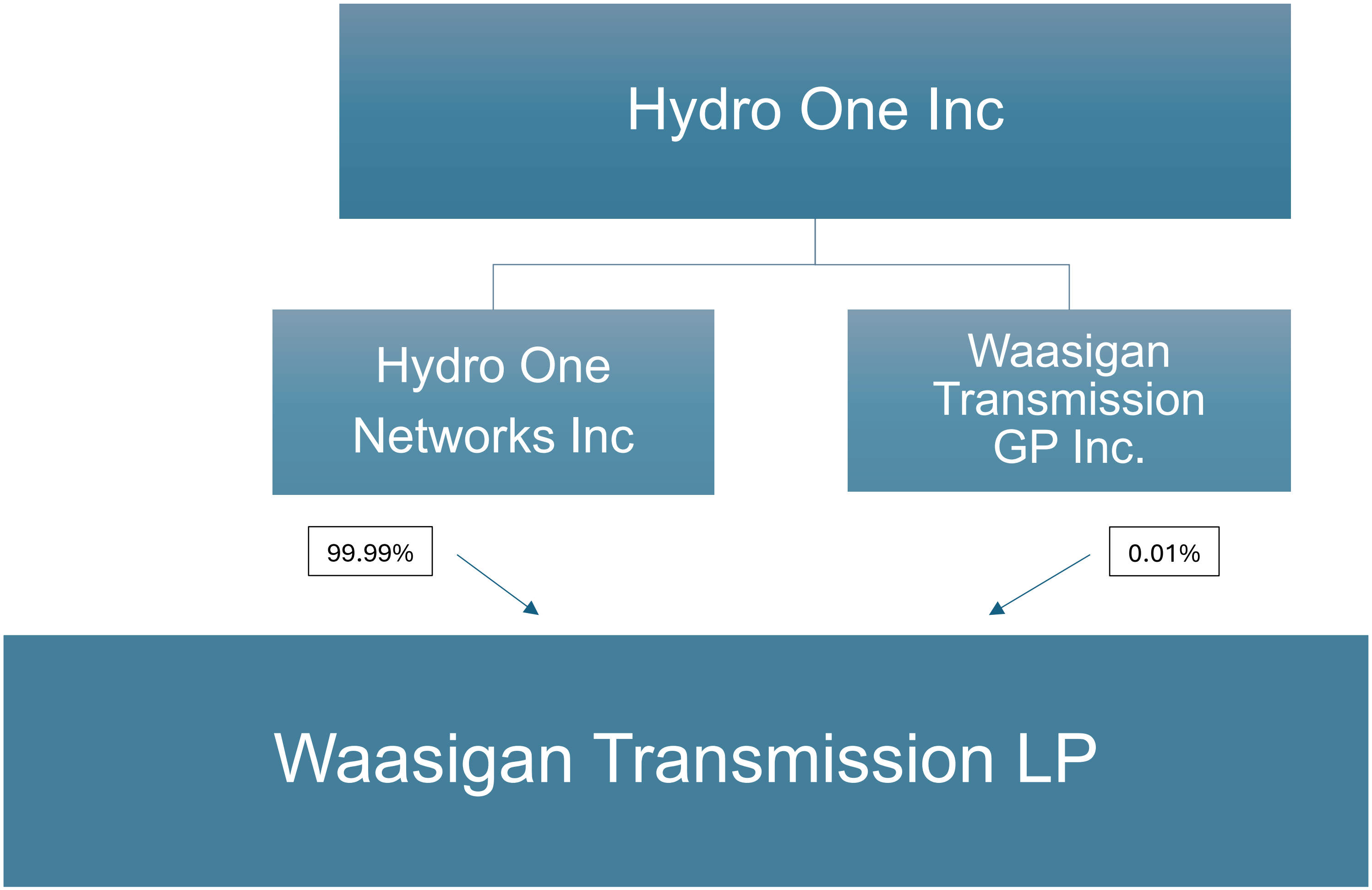
APPENDIX 1B

WTLP'S CURRENT AND FUTURE ORGANIZATIONAL CHART

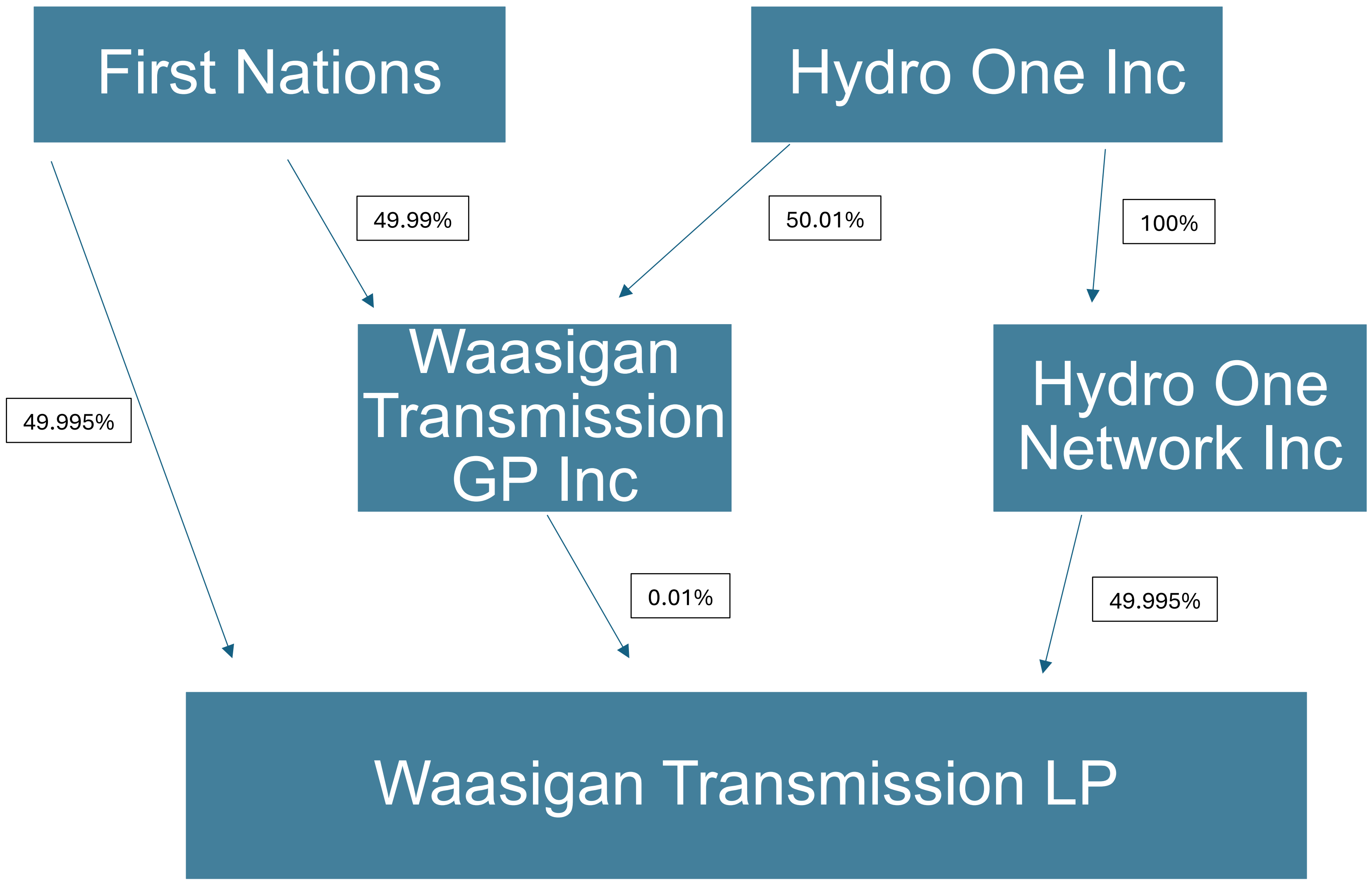
PARTNERSHIP

ORGANIZATIONAL CHART

INITIAL STRUCTURE AFTER TRANSFER OF ASSET



POST FIRST NATION INVESTMENT STRUCTURE



APPENDIX 2

WTLP'S APPLICATION FOR AN ELECTRICITY TRANSMISSION LICENCE
(OEB SECTION 60 FORM)

WAASIGAN TRANSMISSION LP'S APPLICATION FOR AN ELECTRICITY TRANSMISSION LICENCE EB-2026-0090

Ontario Energy Board
Commission de l'Énergie de l'Ontario

Application for Electricity Transmission Licence

Ontario Energy Board
2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4
Telephone: 1-888-632-6273
Facsimile: (416) 440-7656

Commission de l'Énergie de l'Ontario
2300 rue Yonge
C.P. 2319
Toronto, ON M4P 1E4
Téléphone: 1-888-632-6273
Télécopieur: (416) 440-7656

Application Instructions

1. Purpose of this form

The purpose of this form is to collect information to determine whether the Applicant will be granted a licence to transmit electricity.

2. Structure of the Application Form

This form contains the following sections:
A General Information;
B Corporate Information;
C Notice and Consent;
D Acknowledgement

Note: The Board shall keep confidential the information in Item 10, Section B of this form, with the exception of the names and positions held of key individuals. All other information filed as part of this application will be considered public. Where the applicant objects to public disclosure of the information, the applicant must follow the Ontario Energy Board's approved Guidelines for Treatment of Filing made in confidence, effective March 19, 2001.

3. Completion Instructions

PRINT CLEARLY or TYPE all information in BLACK. Please send the completed form and two copies of all attachments to:

Board Secretary
Ontario Energy Board
2300 Yonge Street
P.O. Box 2319, 26th Floor
Toronto, ON M4P 1E4

4. Licence Fees:

Application Fees:
A non-refundable application fee is required to process your application. Please enclose a cheque or money order made payable to the **ONTARIO ENERGY BOARD**.

Note:
The Licencee may be required to pay an annual fee.

5. Important Information:

As a licenced Electricity Transmitter, the licencee may be subject to additional obligations as required by the Independent Electricity System Operator (IESO) and as established under section 70 of the *Ontario Energy Board Act, 1998*.

The issuance of an electricity transmission licence does not guarantee accreditation by the IESO or connection to a transmission or distribution system.

REMARQUE:
Ce document est disponible en français.

Ontario Energy Board
2300 Yonge Street
P.O. Box 2319
Toronto, ON M4P 1E4
Telephone: 1-888-632-6273
Facsimile: (416) 440-7656

Commission de l'Énergie de l'Ontario
2300 rue Yonge
C.P. 2319
Toronto, ON M4P 1E4
Téléphone: 1-888-632-6273
Télécopieur: (416) 440-7656

For Office Use Only	
Application Number	
Date Received	

A. General information

1. Type of Application

New licence	☑
Renewal	☐
Amendment to an existing Licence	☐

2. Applicant

Please provide the following information about the Applicant

Full Legal Name of Applicant	Ontario Corporation Number, Canadian Corporation Number or Business Registration Number	Date of Formation or Incorporation
Waasigan Transmission LP	1001543740	Month 20, 2026

Business Address:

483 Bay Street, 8th Floor, South Tower

City	Prov.	Country	Postal/Zip Code
Toronto	Ontario	Canada	M5G 2P5

Phone Number	FAX Number	E-Mail Address (if applicable)
416-345-5000	416-345-6972	regulatoryaffairs@hydroone.com

3. Primary Contact for this Application

Please provide the following information about the Primary Contact for this Application:			
Mr. ☐ Mrs. ☑ Miss ☐ Ms. ☐ Other: _______	Last Name: MacKinnon	Full First Name: Eryn	Initial:
	Position Held: Advisor, Regulatory Affairs		

Contact Address (if R.R., give Lot, Concession No. and Township) 483 Bay Street, 7th Floor, South Tower			
City Toronto	Province Ontario	Country Canada	Postal/Zip Code M5G 2P5
Phone Number 416-345-4479	FAX Number 416-345-6972	E-mail Address (if applicable) regulatoryaffairs@hydroone.com	

4. Transmission Facilities

Please provide a description of the transmission facilities involved in this Application:

Waasigan Transmission LP ("**WTLP**") is a newly formed limited partnership which does not currently own or operate transmission facilities in Ontario. Subject to various regulatory approvals, including this transmission licence application, the Applicant is negotiating an agreement with Hydro One Networks Inc. ("**HONI**") to purchase certain transmission line assets.

The assets proposed to be ultimately sold are located in northwestern Ontario in the Thunder Bay and Rainy River districts near the communities of Shuniah, Thunder Bay, Atikokan and Dryden; and comprise (i) a new 230 kV double-circuit transmission line spanning between Lakehead Transformer Station ("TS") and Mackenzie TS, totaling a distance of approximately 190km ("**Phase 1 Line**") and (ii) a new 230kV single-circuit transmission line, totaling a distance of approximately 170km between Mackenzie TS and Dryden TS ("**Phase 2 Line**"). Jointly the two phases are referred to as the Lines. Collectively, the Lines along with the associated station works are referred to as the Waasigan Transmission Project or "the Project"). The Project was approved for construction pursuant to EB-2023-0198. The Phase 1 Line is scheduled to be placed in-service on November 15, 2026. A Leave-to-Sell Application under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (the "Act") has been filed with the Ontario Energy Board ("**OEB**") as part of a Joint Submission to seek approval for the proposed sale of the Phase 1 Line. The proposed sale of the Phase 1 Line does not include any station assets. When the Phase 2 Line is constructed and in-serviced, it is also expected to be owned and operated under the same WTLP license.

B. Corporate Information

Organizational

5. Business Classification

Please indicate the Applicant's Business Classification (check appropriate type below):

- ☐ Sole Proprietor
- ☑ Partnership
- ☐ Corporation
- ☐ Other (describe)______________________

6. Business Activities

Please provide a description of the Applicant's business activities:

The Applicant is a newly-formed Ontario limited partnership, which is currently 100% owned by Hydro One Limited through wholly-owned subsidiaries. The Applicant intends to engage in activities that are related to the ownership of the Lines. Accordingly, the Applicant's business activities, under the direction and management of the general partner, are expected to generally be limited to the operation, maintenance and administration of those facilities, as well as financing and recovery of costs and prudent investments through the OEB's established transmission rate setting process.

Subject to approval of the relief described above, including the sale of the Lines, and agreements being finalized as currently contemplated, subsequent transactions will include the sale of minority interests in WTLP with up to nine First Nations communities currently being represented by three parties, as follows: (1) the Gwayakocchigewin Limited Partnership ("GLP"), which represents seven of the nine First Nations partnering with HONI on the Waasigan Transmission Line Project (Eagle Lake First Nation, Fort William First Nation, Gakijiwanong Anishinaabe Nation, Lac Seul First Nation, Nigigoonsiminikaaning First Nation, Ojibway Nation of Saugeen and Seine River First Nation); (2) the Nezaadiikaang Economic Development LP, which represents Lac des Mille Lacs First Nation ("LDML"); and (3) Wabigoon Lake Ojibway Nation ("WLON"). Subject to regulatory approvals and First Nations choosing to exercise their right to purchase, the relief sought is intended to enable First Nations communities to purchase an equity interest in the WTLP, as limited partners.

7. Affiliates of the Applicant

a) Please provide the following information for all Affiliates of the Applicant:

The Applicant is a limited partnership and hence not a separate legal entity nor a body corporate per the definition of "affiliate" in the Ontario *Business Corporations Act (*and similarly in the *Affiliate Relationships Code for Electricity Distributors and Transmitters)".* However, Hydro One's key corporate entities, i.e. Hydro One Networks Inc., Hydro One Inc., Hydro One Limited, Acronym Solutions Inc. (formerly, Hydro One Telecom Inc.) and Hydro One Remote Communities Inc., Aux Energy Inc. and all other *corporate entities* within Hydro One's organizational chart (see **Appendix 1A**), including the general partners of B2M Limited Partnership, Hydro One Sault Ste. Marie Limited Partnership, Niagara Reinforcement Limited Partnership, and Chatham x Lakeshore Limited Partnership are affiliates of the Applicant's general partner, Waasigan Transmission GP Inc. ("**WTGP**").

Business Address:
483 Bay Street, 8th Floor, South Tower

City	Prov.	Country	Postal/Zip Code
Toronto	Ontario	Canada	M5G 2P5

Phone Number	FAX Number	E-Mail Address (if applicable)
416-345-5000	416-345-6972	regulatoryaffairs@hydroone.com

Description of Business Activities:

Following the enactment of the *Electricity Act, 1998* and the restructuring of the former Ontario Hydro, Ontario Hydro Services Company Inc. was incorporated under the *Ontario Business Corporations Act* on December 1, 1998 and commenced business on May 1, 1999. On May 1, 2000, the company's name was changed to Hydro One Inc. in accordance with Section 48.1 of the *Electricity Act, 1998*, as amended. Hydro One Inc. is a holding company operating through its wholly-owned subsidiaries. Its principal subsidiary, HONI, is the largest electricity transmitter and distributor within Ontario.

- Hydro One Remotes Communities Inc. ("Remotes") carries on all business relating to ownership, operation, maintenance and construction of generating and distribution assets used in the supply of electricity to remote communities throughout Northern Ontario that are not connected to the transmission grid.
- Acronym (formerly Hydro One Telecom Inc.) carries on all business relating to leasing dark fibre and providing capacity to other telecommunications carriers, large corporations, government, health care and education institutions.
- Hydro One Sault Ste. Marie ("HOSSM") owns certain transmission assets in the Algoma Region of Ontario.
- B2M Limited Partnership ("B2M LP") carries on all business relating to the ownership, operation and management of electricity transmission facilities in relation to the Bruce to Milton Transmission line between Milton, Ontario and the Bruce Nuclear Power Development in Tiverton, Ontario.
- Niagara Reinforcement Limited Partnership ("NRLP") carries on all business relating to the ownership, operation and management of electricity transmission facilities in relation to the Niagara Reinforcement Transmission line in the Niagara region.
- Chatham x Lakeshore Limited Partnership ("CLLP") carries on all business relating to the ownership, operation and management of electricity transmission facilities in relation to the Chatham x Lakeshore Transmission line in southwestern Ontario.

b) Please attach a Corporate organization chart describing the relationships between the Applicant and its Affiliates and, if applicable, the respective ownership percentages by the Applicant in each Affiliate.

Please refer to HONI's Organizational Chart at **Appendix 1A** and the Waasigan Transmission LP ownership structure both prior and post-First Nation equity investment at **Appendix 1B**.

8. Energy Sector Activities

Has the Applicant or an Affiliate undertaken any energy sector activities in Ontario or any other jurisdiction? If yes, please provide the following information for each:	Yes ☑ No ☐
Full Legal Name of Company:	Licence/Registration Number:
Hydro One Networks Inc.	870865821
Hydro One Remote Communities Inc.	870836269
Hydro One Sault Ste. Marie Limited Partnership	833178213
B2M Limited Partnership	808209530
Niagara Reinforcement Limited Partnership	280994377
Chatham x Lakeshore Limited Partnership	1000869836
Jurisdiction: Across the Province of Ontario	Type of Business Activity (e.g. Generation, Transmission, Distribution): Hydro One Networks Inc: Transmission, Distribution Hydro One Remote Communities Inc: Generation, Distribution Hydro One Sault Ste. Marie LP: Transmission B2M LP: Transmission NRLP: Transmission CLLP: Transmission

Technical Capability and Experience

9. Technical Ability

a) Please describe the applicant's technical ability to carry out the activities applied for including the Applicant's specific experience in Ontario and in other jurisdictions.

The Applicant is a newly formed Ontario entity that has been established for the purpose of owning, operating, maintaining and administering an electricity transmission facility in Ontario. The general partner, WTGP, through its affiliation with Hydro One Inc., brings significant skills, resources and experience to the limited partnership, including technical, financial and stakeholder relationship capabilities. Each of the limited partners brings financial capabilities and stakeholder relationship capabilities.

b) If the Applicant intends to utilize the capability of others by contracting transmission activities, please indicate below which activities and to whom they will be contracted:

☐ Design	Contracted to:
☐ Construction	Contracted to:
☐ Customer Connection	Contracted to:
☑ Inspection & Maintenance	Contracted to: Hydro One Networks Inc.
☑ Operation	Contracted to: Hydro One Networks Inc.
☑ Other (describe) Various Administration services	Contracted to: Hydro One Networks Inc.

10. Information About Each Key Individual

Mr. ☑ Mrs. ☐ Miss ☐ Ms. ☐ Other: ________	Last Name: Taylor	Full First Name: Harry	Initial:
	Position Held: EVP, Chief Financial and Regulatory Officer		

Please explain the person's experience in the electrical transmission business and in the energy field in general.

Harry Taylor is the EVP, Chief Financial and Regulatory Officer of Hydro One Limited. Mr. Taylor joined Hydro One in 2024. Mr. Taylor is an experienced financial and operational leader with more than 40 years of progressive leadership experience in Canada and the United States. Since joining Hydro One, Mr. Taylor has led the delivery of exceptionally strong financial and stock price performance, unprecedented levels of bond issuance and ensured that Hydro One stays within approved spending envelopes.

As Chief Financial and Regulatory Officer of Hydro One Limited, Mr. Taylor is responsible for the finance function (accounting, financial planning and analysis, treasury, tax, investor relations, pensions), regulatory affairs, procurement and supply chain, fleet and aviation services, facilities and real estate, internal audit and enterprise risk management.

	Yes	No
a) Has this person been a proprietor, partner, officer or director of a business that was granted a licence under Part IV or Part V of the *Ontario Energy Board Act, 1998.* If yes, provide business names and licence number(s) and describe the individuals specific related experience. Please refer to Section 8 of this Application for the business names of these entities.	☑	☐
b) Has this person been a proprietor, partner, officer, or director of a business that was registered or licenced under this or any other acts or legislation? If yes, identify the business name, the legislation, licence number(s), date of the licencing or registration and the individual's specific related experience. Mr. Taylor has been an officer and/or director of a number of public Canadian and US companies over the tenure of his career.	☑	☐
c) Has this person been a proprietor, partner, officer or director of a business that had a registration or licence of any kind refused, suspended, revoked or cancelled? If yes, please provide company name and describe the situation, including the jurisdiction and type of licence.	☐	☑

11. Financial Information

Please attach financial statements of the Applicant for each of the past two fiscal years. This may include audited financial statements, annual reports, prospectuses or other such information.
As noted in the Application, the audited Financial Statements for 2024 and 2025 and all other information that Hydro One Limited has filed with the Ontario Securities Commission for the past two years is available through SEDAR at www.sedar.com.

Transmission Facilities Information

12. Facilities

Please indicate whether the Applicant's transmission facilities are:	
☑ New assets to be constructed?	Proposed In-service date: November 15, 2026 Please attach a statement explaining the financing arrangements. Assets will be built and in-serviced by HONI and then sold to WTLP shortly after the in-service date.
☐ Existing assets presently owned by the Applicant?	
☐ Existing assets not presently owned by the applicant (i.e. to be purchased)?	Please indicate from whom assets will be purchased:
☐ Other (describe)	

13. Purpose of Facilities

Please indicate the intended purpose(s) of the Applicant's transmission facilities:

- ☐ To provide a connection between a generator and a transmission system.
- ☐ To provide a connection between a transmission system and a load customer.
- ☐ To provide a connection between a generator and a load customer.
- ☑ To provide a connection between one transmission system and another
- ☐ To import or export power
- ☐ Other (please describe): ______________________

If parties other than the Applicant are involved, please indicate the specific names of the participants (generator, load customer, transmission system(s):

The Waasigan transmission line will interconnect with the HONI transmission system at both ends of the Lines.

14. Location of Facilities

Please indicate the location (township or other such description as appropriate) of the Applicant's transmission facilities and attach a single-line diagram indicating the length (km), capacity (MW) and operating voltage (kV) of each element.

The Waasigan Project includes new 230 kV transmission lines spanning between Lakehead TS, Mackenzie TS and Dryden TS in the Thunder Bay and Rainy River districts near the communities of Shuniah, Thunder Bay, Atikokan and Dryden. These transmission line assets include (i) a 230 kV double-circuit transmission line, approximately 190km in length between Lakehead TS and Mackenzie TS, named A30L and A31L and known as Phase 1; and (ii) a 230kV single-circuit transmission line, approximately 170km in length between Mackenzie TS and Dryden TS, named D32A and known as Phase 2.

The Phase 1 line runs westerly from Lakehead TS located in the municipality of Shuniah before terminating at Mackenzie TS located in in the town of Atikokan. The Phase 2 line runs northwest from Mackenzie TS before terminating at Dryden TS, located just outside the municipal boundaries of the City of Dryden. Please see Appendix 4 for a map of the lines location.

15. Licensing History

	Yes	No
Has the Applicant obtained Ontario Energy Board, National Energy Board, Federal Energy Regulatory Commission or any other regulatory approvals required for the acquisition, construction or operation of the transmission facilities?	☐	☑

If no, please indicate the status and plans for seeking these approvals.

These Lines are currently being constructed, and the Phase 1 Line is forecast to be placed in-service by HONI on or around November 15, 2026, with the potential to be placed in-service up to 15 days earlier, at the start of November 2026. As part of this Application, HONI is requesting approval for the sale of Project Phase 1 Line assets to WTLP, and WTLP is seeking approval for a deferral account to record revenue requirement for the in-service Project assets it purchases for the period between when those assets are placed in-service up until the OEB-approved effective date of a subsequent WTLP revenue requirement application. WTLP expects to file a transmission revenue requirement application later for the Phase 1 Line assets later this year for recovery in the period beginning in 2027.

16. Service to other parties

If the transmission facilities are to be used to deliver electricity to a party other than the Applicant please attach the following:

a) a summary of business plans relating to the Applicant's proposed transmission business for the next five years. This should include the following:
   - a forecast of annual peak demand (MW) and energy (MWH) transmitted and/or transformed.
   - annual pro forma financial statements including forecasts of costs, revenues and project financing indicating the underlying assumptions on which the forecasts are based.

b) estimates of net annual cash flows for subsequent periods to demonstrate financial feasibility and security.

c) indication of the Applicant's plans to seek Ontario Energy Board approval for rates for transmission services.

All power delivered via WTLP's facilities is expected to be delivered to its affiliate, HONI.

17. Proposed business transactions impact

Please provide a brief summary of the expected impact of the proposed business transactions on the Ontario electricity market under the following headings:

- Facilitate competition and enhance access to transmission services

If approved, WTLP will be a new transmitter in the Province of Ontario. The existence of this entity supports the government's stated mandate to increase ownership diversity within the transmission sector in Ontario, and to foster participation by First Nations.

- Improve reliability and quality of supply

The Project is being constructed to increase long-term transmission capacity to the region west of Thunder Bay, to provide a means for new customers and growing loads to be served with clean and renewable sources that comprise Ontario's supply mix.

This Project will improve the reliability and quality of energy supply by providing an additional transmission path for system generation to be delivered to the region.

Construction of the Project is recommended by the IESO in their report entitled the *Waasigan Transmission Line Project: Need, Alternatives, and Recommendation* and was found to be in the public interest by the OEB as documented in OEB proceeding EB-2023-0198. The Project was initiated by the Minister of Energy through Order in Council dated December 11, 2013, with the approval of the Lieutenant Governor in Council. Completion and operation of these facilities will satisfy the need identified in the Order in Council and Minister's Directive for this Project.

- Promote economic and efficient electrical energy supply

The participation of First Nations communities as owners of these transmission facilities is expected to allow for the continued economic enhancement on First Nations lands and provide efficient supply of energy by providing an additional transmission path for system generation to be delivered to the region.

Other Information
18. Ontario market activities

Please indicate whether the Applicant intends to be involved with other electricity sector activities in the Ontario market?

	Yes	No
☐ Buy or Sell (Wholesale) electricity	☐	☑
☐ Distribute electricity	☐	☑
☐ Retail electricity	☐	☑
☐ Generate electricity	☐	☑

If yes to any of the above:

a) If affiliates have not yet been established, please indicate when this is planned ______________________

	Yes	No
b) Has Applicant or an affiliate applied for an Ontario Energy Board Licences? If no, when planned? ______________________ HONI, HOSSM, B2M LP, NRLP, and CLLP are licensed to transmit electricity in Ontario.	☑	☐

C. Notice and Consent

AS REQUIRED BY THE FREEDOM OF INFORMATION AND PROTECTION OF INDIVIDUAL PRIVACY ACT

In order to complete or verify the information provided on this form, it may be necessary for the Ontario Energy Board to collect additional information from some or all of the following sources: federal, provincial/state and municipal governments; licensing bodies; banks; professional and industry associations; and former and current employers. **Only information relevant to your application will be collected.**

The public official who can answer questions about the collection of information is:

Board Secretary
Ontario Energy Board
2300 Yonge Street, P.O. Box 2319
Toronto, Ontario M4P 1E4

Note: The issuance of an electricity transmitter licence does not guarantee accreditation by the IESO, or connection to a transmission or distribution system.

NOTE: This application must be signed by the proprietor or by at least one partner, officer or director of the organization.

WARNING: It is an offence to knowingly provide false information on this application.

I/We consent to the collection of this information as authorized under the *Ontario Energy Board Act, 1998*. Yes ☑

I/We understand that this information will be used to determine whether I am/we are and remain qualified for the licence for which I am/we are applying. Yes ☑

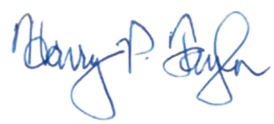
Print Name and Title	Signature of Applicant(s)	Date Signed
Harry Taylor President and Secretary Waasigan Transmission GP Inc., general partner of Waasigan Transmission LP		March 25, 2026

D. Acknowledgement

NOTE: This acknowledgement must be signed by the proprietor or by at least one partner, officer or director of the organization.

I understand and acknowledge that, as a licenced electricity transmitter, I will be required, unless otherwise exempted:

- To provide non-discriminatory access to all persons wishing to connect to the transmission system.
- To comply with all licence conditions including the provisions of:
  - The Ontario Energy Board Affiliate Relationships Code for Electricity Distributors and Transmitters
  - The Ontario Energy Board Transmission System Code
  - The Market Rules made under section 32 of the Electricity Act.

Print Name and Title	Signature of Applicant(s)	Date Signed
Harry Taylor President and Secretary Waasigan Transmission GP Inc., general partner of Waasigan Transmission LP		March 25, 2026

CHECKLIST

Have You:

1.	Properly and fully completed this form? (Illegible, incomplete or improperly completed forms do not qualify for registration and will be delayed or returned.)	☐
2.	Enclosed a cheque or money order payable to the **ONTARIO ENERGY BOARD** in the amount prescribed?	☐
3.	Attached two copies of all financial information specified in Section B?	☐
4.	Attached Section C, the signed “Notice and Consent” form, as specified?	☐
5.	Attached Section D, the “Acknowledgement” form, as specified?	☐

Please send the completed form and all attachments to:

Board Secretary
Ontario Energy Board
2300 Yonge Street
P.O. Box 2319 , 26th Floor
Toronto, ON M4P 1E4

NOTE: You are not required to return the cover page or this checklist to the Ontario Energy Board.

APPENDIX 3

HYDRO ONE NETWORKS INC.'S APPLICATION TO SELL WAASIGAN PROJECT ASSETS TO WTLP (OEB SECTION 86(1)(b) FORM)

HYDRO ONE NETWORK INC.'S APPLICATION TO SELL WAASIGAN PROJECT ASSETS TO WAASIGAN TRANSMISSION LP

EB-2026-0090

Print Form

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

Application Form for Applications under Section 86(1)(b) of the *Ontario Energy Board Act, 1998*

Application Instructions

1. Purpose of this Form

This form is to be used by parties applying under section 86(1)(b) of the *Ontario Energy Board Act, 1998* (the "Act"). Please note that the Board may require information that is additional or supplementary to the information filed in this form and that the filing of the form does not preclude the applicant from filing additional or supplementary information.

2. Completion Instructions

This form is in a writeable PDF format. The applicant may, however, complete responses on additional pages if the space provided is not sufficient. The applicant must either:

- type answers to all questions, print two copies and sign both copies; or
- print a copy of the form, clearly print answers to all questions, make a copy and sign both copies.

Please send both copies of the completed form and two copies of any attachments to:

Board Secretary
Ontario Energy Board
P.O Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

If you have any questions regarding the completion of this application, please contact the Market Operations Hotline by telephone at 416-440-7604 or 1-888-632-6273 or e-mail at market.operations@oeb.gov.on.ca.

The Board's "Performance Standards for Processing Applications" are indicated on the "Corporate Information and Reports" section of the Board's website at www.oeb.gov.on.ca . Applicants are encouraged to consider the timelines required to process applications to avoid submitting applications too late. If the submitted application is incomplete, it may be returned by the Board or there may be a delay in processing the application.

Ontario Energy Board
P.O. Box 2319
2300 Yonge Street
27th Floor
Toronto ON M4P 1E4
Telephone: 1-888-632-6273
Facsimile: (416) 440-7656

Commission de l'énergie l'Ontario
C.P. 2319
2300, rue Yonge
27e étage
Toronto ON M4P 1E4
Téléphone: 1-888-632-6273
Télécopieur: (416) 440-7656

Ontario

For Office Use Only	
Application Number	EB -
Date Received	

Application Form for Applications under Section 86(1)(b) of the *Ontario Energy Board Act, 1998*

PART I : IDENTIFICATION OF PARTIES

1.1 Name of Applicant

Legal name of the applicant: Hydro One Networks Inc. ("HONI")

Name of Primary Contact:

Mr. ○ Mrs. ○ Miss ○ Ms. ◉ Other ○ ________

Last Name	First Name	Initial
MacKinnon	Eryn	

Title/Position: Advisor, Regulatory Affairs

Address of Head Office:

City	Province/State	Country	Postal/Zip Code
Toronto	Ontario	Canada	M5G 2P5

Phone Number	Fax Number	E-mail Address
416-345-4479		Regulatoryaffairs@hydroone.com

1.2 Other Party to the Transaction (if more than one attach a list)

Name of the other party: Waasigan Transmission LP ("WTLP")

Name of Primary Contact:

Mr. ◉ Mrs. ○ Miss ○ Ms. ○ Other ○ ________

Last Name	First Name	Initial
Harry	Taylor	

Title/Position: President and Secretary, Waasigan Transmission GP Inc. in its capacity as General Partner of WTLP

Address of Head Office:

City	Province/State	Country	Postal/Zip Code
Woodstock	Ontario	Canada	N4V 0B6

Phone Number	Fax Number	E-mail Address
226-705-4840		regulatoryaffairs@hydroone.com

1.3 If the proposed recipient is not a licensed distributor or transmitter, is it a distributor or transmitter that is exempted from the requirement to hold a distribution or transmission licence?

☐ Yes
☒ No

PART II: DESCRIPTION OF ASSETS TO BE TRANSFERRED

2.1 Please provide a description of the assets that are the subject of the proposed transaction.

The Waasigan Project (“Project”) includes new 230 kV transmission lines spanning between Lakehead Transformer Station (“TS”), Mackenzie TS and Dryden TS (the “Lines”) in the Thunder Bay and Rainy River districts near the communities of Shuniah, Thunder Bay, Atikokan and Dryden. These transmission lines assets include the 230 kV double-circuit transmission line, approximately 190km between Lakehead TS and Mackenzie TS, nomenclature A30L and A31L (known as Phase 1 of the Project); and a 230 kV single-circuit transmission line, approx. 170km between Mackenzie TS and Dryden TS, named D32A (known as Phase 2 of the Project).The assets to be transferred as part of this Application are the assets comprising Phase 1 of the Project which, as described above, spans between Lakehead TS and Mackenzie TS totaling a distance of approximately 190km. (the "Transferred Assets"). The Phase 1 lines are expected to be completed and placed in-service on or around November 15, 2026, with the potential to be placed in-service up to 15 days earlier, at the start of November 2026. The purchase does not include any station assets. Further details of the assets are provided in the Application.

2.2 Please indicate where the assets are located - whether in the applicant's service area or in the proposed recipient's service area (if applicable). Please include a map of the location.

The assets subject to this specific relief are located in northwestern Ontario in the Thunder Bay and Rainy River districts near the communities of Shuniah, Thunder Bay, Atikokan. They are identified as the transmission lines of Phase 1 of the Project and span in a westerly direction from Lakehead TS located in the municipality of Shuniah, before terminating at Mackenzie TS located in Atikokan, in the district of Rainy River. Please see Appendix 4 for a map of the Project location.

2.3 Are the assets surplus to the applicant's needs?

☐ Yes

☒ No

If yes, please indicate why the assets are surplus and when they became surplus.

2.4 Are the assets useful to the proposed recipient or any other party in serving the public?

☒ Yes

☐ No

If yes, please indicate why.

The Project is being constructed to increase electricity supply to the region west of Thunder Bay, to provide a means for new customers and growing loads to be served with clean and renewable sources that comprise Ontario’s supply mix. The transmission line Project will also improve the reliability and quality of energy supply by providing an additional transmission path for system generation to be delivered to the region.

2.5 Please identify which utility's customers are currently served by the assets.

The Lines will become part of the bulk electricity system in Ontario and thus supports, directly or indirectly, all electricity customers of Ontario.

2.6 Please identify which utility's customers will be served by the assets after the transaction and into the foreseeable future.

The Lines will serve the customers of Ontario in the manner as described above.

PART III: DESCRIPTION OF THE PROPOSED TRANSACTION

3.1 Will the proposed transaction be a sale, lease or other?

- [x] Sale
- [ ] Lease
- [ ] Other

If other, please specify. ______________________________

3.2 Please attach the details of the consideration (e.g. cash, assets, shares) to be given and received by each of the parties to the proposed transaction.

The proposed transaction is an inter-company transfer of assets.

3.3 Would the proposed transfer impact any other parties (e.g. joint users of poles) including any agreements with third parties?

- [ ] Yes
- [x] No

If yes, please explain how.

3.4 Would the proposed transfer impact distribution or transmission rates of the applicant?

- [ ] Yes
- [x] No

If yes, please explain how.

3.5 Will the transaction adversely affect the safety, reliability, quality of service, operational flexibility or economic efficiency of the applicant or the proposed recipient?

- [ ] Yes
- [x] No

If yes, please explain how.

PART IV: WRITTEN CONSENT/JOINT AGREEMENT

4.1 Please provide the proposed recipient's written consent to the transfer of the assets by attaching:

a) a letter from the proposed recipient consenting to the transfer of the assets;

b) a letter or proposed sale agreement jointly signed by the applicant and the proposed recipient agreeing to the transfer of the assets; or

c) the proposed recipient's signature on the application.

Please refer to Section 3.2.

PART V: REQUEST FOR NO HEARING

5.1 Does the applicant request that the application be determined by the Board without a hearing? If yes, please provide:

a) an explanation as to how no person, other than the applicant or licence holder, will be adversely affected in a material way by the outcome of the proceeding; and

b) the proposed recipient's written consent to dispose of the application without a hearing.

The proposed transaction results in an inter-entity transfer of assets. The Transferred Assets will be operated and maintained by HONI in the same manner as related transmission facilities in Ontario. Performance and reliability will not be impacted by a change in equity ownership. In light of these circumstances, HONI does not believe the application warrants a public hearing.

PART VI: OTHER INFORMATION

6.1 Please provide the Board with any other information that is relevant to the application. When providing this additional information, please have due regard to the Board's objectives in relation to electricity.

As described in the Application, the asset purchaser, WTLP, has sought relief for a transmission licence and plans to make available an equity interest to First Nations partners. This transaction supports the Government of Ontario objective to promote economic partnerships with Indigenous groups.

PART VII : CERTIFICATION AND ACKNOWLEDGMENT

7.1 Certification and Acknowledgment

I certify that the information contained in this application and in documents provided are true and accurate.

Signature of Key Individual	Print Name of Key Individual Harry Taylor	Title/Position Director
Harry P. Taylor	Date March 25, 2026	Company Waasigan Transmission LP

(Must be signed by a key individual. A key individual is one that is responsible for executing the following functions for the applicant: matters related to regulatory requirements and conduct, financial matters and technical matters. These key individuals may include the Chief Executive Officer, the Chief Financial Officer, other officers, directors or proprietors.)

APPENDIX 4

MAP OF THE WAASIGAN TRANSMISSION LINE PROJECT AREA

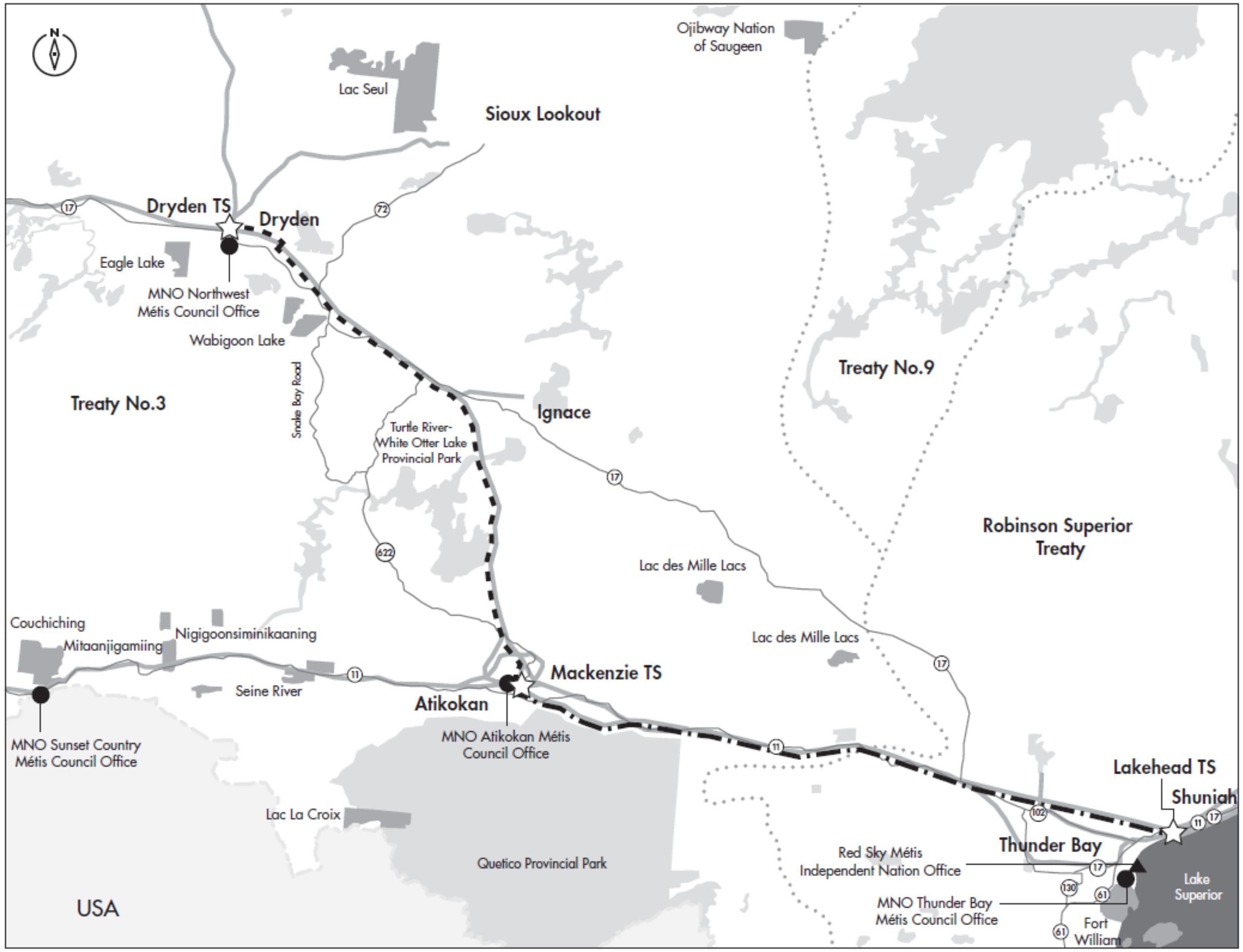
MAP OF THE WAASIGAN TRANSMISSION LINE PROJECT AREA

EB-2026-0090

WAASIGAN TRANSMISSION LINE

Map Legend

- Existing Transformer Station (TS)
- Selected Route Phase 1
- Selected Route Phase 2
- Existing Transmission Line
- Highway
- International Border
- Red Sky Métis Independent Nation Office
- Métis Nation of Ontario (MNO) Council Office
- Treaty Boundary
- First Nation Reserve
- Provincial Park



APPENDIX 5

WTLP'S APPLICATION FOR A DEFERRAL ACCOUNT

WAASIGAN TRANSMISSION LP’S

APPLICATION FOR A DEFERRAL ACCOUNT

EB-2026-0090

1.0 INTRODUCTION

1.1. This Application is a request, pursuant to section 78(1) of the *Ontario Energy Board Act* (the "**Act**"), for OEB-approval of an accounting order authorizing Waasigan Transmission LP ("**WTLP**") to establish a new deferral account, referred to as the "Waasigan Transmission Line Revenue Requirement Deferral Account" ("**WTLPDA**"), for the purpose of recording revenue requirement relating to the Waasigan Project ("the **Project**"). The Project is expected to be constructed and in-serviced in two Phases. Phase 1 of the Project is a new 230 kV double-circuit transmission line, approximately 190km in length spanning between Lakehead TS and Mackenzie TS. Phase 2 of the Project is a new 230 kV single-circuit transmission line, approximately 170km in length between Mackenzie TS and Dryden TS. Collectively the Phase 1 transmission lines and Phase 2 transmission lines are referred to as **the Lines**. The Phase 1 line facility is expected to be completed and placed in-service in or around November 15, 2026, with the potential to be placed in-service up to 15 days earlier. The Phase 2 assets are expected to be placed in service in late 2027.

1.2. Once the Project assets are placed in-service (expected to be in two separate phases as described above), and for the period of time from when the Phase 1 and Phase 2 assets are placed in-service until an OEB-approved revenue requirement is issued for those Phase 1 and Phase 2 assets respectively, the proposed WTLPDA will be predicated on the costs of the subset of assets being placed in-service for Phase 1 and Phase 2, and specifically those that are to be sold to WTLP.

1.3. In this Application, it is important to WTLP's First Nations partners to receive an OEB order to establish this new deferral account prior to the in-service of Project assets. This will allow for the satisfaction of financing arrangements to validate income to the partners.

1.4. WTLP is expecting to submit a revenue requirement application for approval of final rates for Phase 1 covering the period beginning in 2027, including the revenue requirement details for inclusion in the determination of the Uniform Transmission Rates ("**UTR**"). This application is expected to be filed with the OEB later this year. WTLP will ask the OEB to adjudicate the prudency and allow for recovery of the costs included in the WTLPDA as part of that application. Subsequently, when Phase 2 assets are in-serviced, WTLP would also expect to use the WTLPDA to recognize revenues for the period of time between the Phase 2 assets are in-serviced until an OEB-approved revenue requirement is issued for those Phase 2 assets.

1.5. The proposed WTLPDA should be approved and is in the public interest because:

- WTLP has applied to the OEB for the approval of a transmission license under section 60 of the Act, and HONI has applied for the approval to sell certain transmission assets to WTLP under section 86(1)(b) of the Act;
- It will allow for the timely in-service of the assets that will benefit Ontario ratepayers; and
- Neither HONI nor WTLP are seeking recovery of the amount WTLP proposes to record in the deferral account at this time. The deferral account balances will be subject to review upon disposition and recovered through the UTRs.

1.6. The need for this account is to ensure that WTLP is able to recover the appropriate level of revenue requirement for the period of time that either of the Lines is placed in-service prior to WTLP receiving approval of its revenue requirement application for those assets and those amounts being incorporated into OEB-approved UTRs. HONI does not, and will not, possess a rate order allowing for recovery of costs for the Lines. WTLP will own only the Lines, and currently, there is no other interim mechanism to allow WTLP to recover costs for the Lines, once in-serviced.

1.7. As per the OEB's usual process, a deferral account approval is required in advance of recording any balances.

2.0 EFFECTIVE DATE OF WTLPDA

2.1. WTLP requests that the new deferral account take effect as of the Phase 1 Project's in-service date, currently planned for November 15, 2026, and potentially as early as November 1, 2026. This is the date on which HONI expects the Transferred Assets (as defined in the Joint Application) to be placed in-service, begin conveying electricity, and be transferred to WTLP. WTLP will notify the OEB of the actual in-service dates of each of the Lines, and will record deferral account entries from the in-service date, accordingly.

3.0 TEST FOR ESTABLISHMENT OF A DEFERRAL ACCOUNT

3.1. In order to establish a deferral account, the OEB's *Filing Requirements for Electricity Transmission Applications* (dated October 30, 2025) ("**Filing Requirements**"), outline that the eligibility criteria of causation, materiality and prudence must be met. In addition, the Applicant must provide a Draft Accounting Order.

<u>Causation</u>

3.2. The OEB's Filing Requirements define Causation as, "the forecasted expense must be clearly outside of the base upon which revenue requirement(s) were derived".[1]

3.3. WTLP has no current OEB-approved revenue requirement, nor are the Lines included in HONI's rate base. WTLP expects to file an application seeking approval of its 2027 revenue requirement for the Project's Phase 1 transmission line assets later this year.

3.4. Concurrently, WTLP is seeking OEB-approval for a transmission licence, and HONI is seeking leave to sell the Project's Phase 1 transmission line assets to WTLP. Revenue requirement of this nature would normally be recoverable by a transmitter from the provision of these types of services to ratepayers.

<u>Materiality</u>

3.5. In terms of the materiality of the amounts a transmitter is seeking to record, the OEB's Filing Requirements definition of Materiality is, "the forecasted amounts must exceed the OEB defined materiality threshold and have a significant influence on the operation of the transmitter".[2] Additionally, the OEB's Filing Requirements prescribes materiality thresholds for transmitters, indicating they are dependent on

[1] Filing Requirements for Electricity Transmission Applications, Chapter 2 - Section 2.10, October 30, 2025, Pg. 43
[2] Filing Requirements for Electricity Transmission Applications, Chapter 2 - Section 2.10, October 30, 2025, Pg. 43

the magnitude of the transmitters revenue requirement. The filing requirements state that the transmitter-specific thresholds are as follows;

- "$65,000 for a transmitter with a transmission revenue requirement less than or equal to $10 million
- 0.65% of transmission revenue requirement for a transmitter with a transmission revenue requirement greater than $10 million and less than or equal to $200 million
- $4 million for a transmitter with a transmission revenue requirement of more than $200 million"[3]

3.6. WTLP does not have a current OEB-approved revenue requirement.

3.7. Given the OEB's materiality threshold categories above, WTLP's revenue requirement would be captured in the second category as its revenue requirement is expected to exceed $10 million (on the basis of total return on capital alone as noted in Table 1 below), but not surpass $200 million per annum in light of the fact that the total forecast cost of the Project's Phase 1 transmission lines assets is approximately $546 million. WTLP's materiality threshold is therefore 0.65% of the annual revenue requirement.

[3] Filing Requirements for Electricity Transmission Applications, Chapter 2 - Section 2.1.5, October 30, 2025, Pg. 6

Table 1 - Analysis of the Return on Capital Impacts on Revenue Requirement *(Illustrative)*

Particulars	Reference	Total *($M)*
In-Service Rate Base (Forecast)	**A**	**546**
Return on Capital [1]		
Return on Long Term Debt – 56%	**B** = A x 56% x 4.73%	14.5
Return on Short Term Debt – 4%	**C** = A x 4% x 2.72%	0.6
Return on Equity – 40%	**D** = A x 40% x 9.11%	19.9
Total Return on Capital	**E** = B + C + D	**35.0**

[1] *Based on the OEB's Cost of Capital Parameters as of January 1, 2026 (i.e. LT debt– 4.73%, ST debt – 2.72%, ROE – 9.11%) OEBLtr_2026 CoC_20251031*

3.8. Irrespective of the actual OEB-approved annual revenue requirement, the forecast in-service date is expected, at minimum, to equal approximately six-weeks of 2026, i.e., six-weeks out of the 52-week annual collection period. Assuming revenue requirement is disbursed equally throughout the year, the six-week period represents 11.5% of the annual revenue requirement thus exceeding the 0.65% materiality threshold described above.

3.9. If the deferral account is not approved, WTLP will effectively not be entitled to recover the full costs of owning and operating the assets that are also subject to approval in the related applications for a transmission licence and sale of assets from HONI to WTLP. Based on the OEB's criteria, HONI and WTLP believe the materiality threshold for a deferral account has been satisfied.

Prudence

3.10. The OEB's Filing Requirements definition of Prudency is, "the nature of the costs and forecasted quantum must be reasonably incurred, although the final determination of prudence will be made at the time of disposition".[4]

[4] Filing Requirements for Electricity Transmission Applications, Chapter 2 - Section 2.10, October 30, 2025, Pg. 42.

3.11. If the transmission license application and leave to sell the assets application are approved, WTLP will acquire the Project transmission line Phase 1 assets and will own, operate and maintain the assets to provide transmission services to ratepayers as described by WTLP and HONI in the accompanying submission.

3.12. The agreements with the First Nations underlying the formation of the limited partnership and the sale of assets will facilitate the Project assets being placed in-service and ultimately providing transmission services to ratepayers. The transaction allows for the completion of the Project providing beneficial service to rate payers at a favourable cost.[5] HONI and WTLP believe this satisfies the prudency standard whereby, “T[t]he transmitter’s decisions to incur the amounts must represent the most cost-effective option for ratepayers”.[6]

3.13. The approval of a deferral account to record the revenue requirement for the period the asset will be used and useful is appropriate and equitable such that the newly formed WTLP will have the opportunity to recover the revenue it earns from the services the acquired transmission facilities provide to ratepayers.

3.14. The final determination of prudency will be made at the time WTLP applies for disposition of the deferral account in a future revenue requirement application. The OEB and other stakeholders will have the opportunity to review and test the prudency of those costs at that time.

[5] Rate payers will enjoy a modest tax benefit flowing through in rates, given the tax-free status of the First Nations partners’ ownership of WTLP.
[6] Filing Requirements for Electricity Transmission Applications, Chapter 2 - Section 2.8.11, October 30, 2025, Pg. 38

4.0 DRAFT ACCOUNTING ORDER

4.1 As prescribed by the OEB's Filing Requirements[7], WTLP is including a Draft Accounting Order, as **Attachment A** to this exhibit, outlining the proposed entries for recording WTLP's revenue requirement prior to the effective date of WTLP's first OEB-approved revenue requirement.

5.0 CONCLUSION

5.1 WTLP believes the establishment of the WTLPDA should be approved. The amounts proposed to be recorded within the account are expected to be material to WTLP, and the account has met the OEB's eligibility criteria of causation, materiality and prudence.

5.2 All of which is respectfully submitted for the OEB's consideration.

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[7] Filing Requirements for Electricity Transmission Applications, Chapter 2 - Section 2.10, October 30, 2025, Pg. 42.

ATTACHMENT A
Draft Accounting Order
Account 1508 – Waasigan Transmission Line Revenue Requirement Deferral Account

Waasigan Transmission LP ("**WTLP**") proposes the establishment of a new "Waasigan Transmission Line Revenue Requirement Deferral Account" ("**WTLPDA**") to capture the preliminary revenue requirement, including tax, relating to the operation associated with this Project before such time that a section 78 revenue requirement application can be approved by the OEB and the associated revenue requirement can be included in the Uniform Transmission rates ("**UTR**"). This account will be applicable to the Project, inclusive of both Phase 1 and Phase 2.

The account will be established as Account 1508, Other Regulatory Assets – Sub-Account "Waasigan Transmission Line Revenue Requirement Deferral Account" effective as of the in-service date of the Project up to the OEB-approved effective date of WTLP's revenue requirement application for Project assets expected to be purchased by WTLP. WTLP will record interest on the balance in the sub-account using the prescribed interest rates set by the OEB. Simple interest will be calculated on the opening monthly balance of the account until the balance is fully disposed.

The following outlines the proposed accounting entries for this deferral account:

PROPOSED ACCOUNTING ENTRIES

Waasigan Transmission Line Revenue Requirement Deferral Account

USofA #	Account Description
Dr: 1508	Other Regulatory Assets – Sub account "Waasigan Transmission Line Revenue Requirement Deferral Account"
Cr: 4110	Transmission Services Revenue

To record the revenue requirement impacts related to the in-servicing of the Project up to the OEB-approved effective date of WTLP's revenue requirement application for Project assets expected to be purchased by WTLP.

USofA #	Account Description
Dr: 1508	Other Regulatory Assets – Sub account "Waasigan Transmission Line Revenue Requirement Deferral Account"
Cr: 6035	Other Interest Expense

To record interest improvement on the principal balance of the "Waasigan Transmission Line Revenue Requirement Deferral Account".