

Hydro One Networks Inc.

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Andrew Skalski

Director – Major Projects and Partnerships
Regulatory Affairs

BY COURIER

January 20, 2011

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON
M4P 1E4

Dear Ms. Walli:

EB-2010-0398 - Service Area Amendment Application between Hydro One Networks Inc. and Cornwall Street Railway Light and Power Company Limited – Application Update Filing

I am attaching two (2) paper copies of an update of the Hydro One Networks' Application that was filed with the Board on December 17, 2010. Below are the responses to the OEB letter dated January 13, 2010. The explanation for updating the application is provided in the 2nd and 3rd responses.

1. Your application requested a conditional approval of this application based on the condition that each of the three generators individually connect to the Hydro One distribution system and the requisite connection agreements are signed. What is Hydro One's best estimation for the time period required to accomplish these conditions.

Answer:

Assuming that the SAA is approved, Hydro One estimates that it will take approximately 18 months from the approval of the SAA for the connection of the generators to be completed, including the signing of the requisite agreements.

2. There is a discrepancy between the proposed service area description and Hydro One and Cornwall licence amendments for Northland Power Solar Glendale L.P. on pages 5 and 6 of your application. Please clarify.

Answer:

Please see the updated application and map (both attached). All three of the generators including Northland Power are proposed to be located in the Township of South Glengarry and are now shown as such in the applied-for licence amendment.

3. Please explain on what basis does Hydro One assume that costs will be borne by provincial ratepayers? If this assumption is wrong, would there be a material impact on Hydro One ratepayers?

Answer:

Hydro One's submission in the application that costs would be borne entirely by provincial ratepayers was based on a consideration of the distribution system costs alone, and our view that there would be minimal benefit to the distribution system from the work anticipated to be required to connect the three generation projects, including any renewable enabling improvements, given that the 3 projects are embedded within Cornwall Electric's service area. Our assessment did not consider the benefit to the distribution system from reduced transmission and WSMC charges, per the Board's Report in EB-2009-0349. Factoring those benefits in would directionally change the overall split in cost responsibility for the projects away from a 0%/100% LDC/provincial split; however, the magnitude of the change is not clear and the methodology to implement the Board's Report concerning these benefits is still under development.

In any event, nothing turns on the information above as Hydro One is not requesting the Board to approve the benefit determination in this application. Hydro One will conduct a detailed benefit assessment of the projects at a later date and that assessment will be subject to Board review in the appropriate forum. The Application has been updated in section 7.3.3 to reflect this clarification.

In the unlikely event (in Hydro One's view) that the costs are assigned 100% to the distribution system and 0% to provincial ratepayers for the three projects, Hydro One's anticipated cost exposure in this case would be approximately \$1M to \$1.5M, based on estimated expansion costs of \$1M and potential costs for renewable enabling improvements (REI) ranging between zero and \$0.5M. These estimates are preliminary in nature and subject to change, as the CIA and a detailed cost estimate are not yet available. The expansion cost estimate is accordingly based on a standard cost of \$150k per km for a 3-phase, 44kV line and the 7km line length required for the three projects ($\$150\text{k}/\text{km} \times 7 \text{ kms} = \1M approx.). The REI range estimate is based on past projects of similar size. The remaining project costs (connection, transmission modifications) would be borne by the generators' and not by Hydro One ratepayers, under DSC cost responsibility rules.

The calculated cost exposure of \$1M to \$1.5M based on the 100%/0% LDC/provincial benefit split would not be material to Hydro One, based on a materiality threshold of 1% of NFA (per the Board's Filing Requirements for Transmission and Distribution Applications). Hydro One's 2010 NFA are approximately \$5 billion and the resulting materiality threshold is \$50 million. It would also not be material if an alternative \$2 million materiality threshold, as used in Hydro One Distribution rate cases for capital project disclosure, were applied.

Alternatively, assuming for illustrative purposes that a 50%/50% LDC/provincial benefit split applied, the result would be a cost exposure to Hydro One ratepayers of \$750k (\$1.5M per above x 50%). This would again not be material under either materiality threshold.

An electronic copy of the complete application, including the attached updates has been filed using the Board's Regulatory Electronic Submission System.

Sincerely,

ORIGINAL SIGNED BY ANDREW SKALSKI

Andrew Skalski

Attachment

Hydro One Networks Inc.

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Andrew Skalski

Director – Major Projects and Partnerships
Regulatory Affairs



BY COURIER

December 17, 2010

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON
M4P 1E4

Dear Ms. Walli:

Re: Service Area Amendment Application between Hydro One Networks Inc. and Cornwall Street Railway Light and Power Company Limited

Hydro One Networks Inc. (“Hydro One”) is making the attached Service Area Amendment application to reflect a boundary change between Hydro One and Cornwall Street Railway Light and Power Company Limited (“Cornwall Electric”).

Hydro One respectfully requests expedited processing of this application in order that the system capacity for the three affected generation projects can be allocated as soon as possible. More detail about this is described in the attached application.

Should you have any questions on this application, please contact Yoon Kim at (416) 345-5228 or via email at Yoon.Kim@HydroOne.com.

Sincerely,

ORIGINAL SIGNED BY ANDREW SKALSKI

Andrew Skalski

Attachment

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Service Area Amendment Application

Hydro One Networks Inc.

Updated: January 19, 2011



1 **7.0 INTRODUCTION**

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3 *This application for a Service Area Amendment is structured and follows the minimum filing*
4 *requirement for SAA assigned by the Ontario Energy Board. The section numbers follow the filing*
5 *requirement of the base reference.*
6

7
8 **Hydro One Networks Inc. (“Hydro One”) is making this service area amendment (“SAA”)**
9 **application to the Ontario Energy Board (“the Board”) for the purpose of amending Hydro One’s**
10 **Distribution Licence (ED-2003-0043), specifically for the purpose of connecting three Generator**
11 **Customers (“three generators” or “the generators”) whose projects are currently under**
12 **development and are planned to be located in Cornwall Street Railway Light and Power Company**
13 **Limited (“Cornwall Electric”) service territory as described in its Electricity Distribution Licence**
14 **(ED-2004-0405).**

15
16 **Conditional approval of this application is requested, based on the condition that each of the three**
17 **generators individually connect to the Hydro One distribution system and the requisite connection**
18 **agreements are signed. Following conditional approval of this SAA, Hydro One will initiate a**
19 **connection impact assessment (“CIA”) of the three generation projects. It is Hydro One’s practice**
20 **that a CIA can be undertaken only for projects within Hydro One’s service area defined by Hydro**
21 **One’s Distribution Licence and hence the requested conditional SAA is required in order for the**
22 **three subject projects to proceed through the connection assessment process.**

23
24 **The three generators have received FIT contracts from the Ontario Power Authority (“OPA”). In**
25 **order to connect to the IESO-controlled grid, the projects must connect to the Hydro One**
26 **distribution system, as Cornwall Electric is connected to the Hydro Quebec system, not to the**
27 **IESO-controlled grid. Since the generators’ subject lands are located within the service territory**
28 **boundaries of Cornwall Electric, the generators are now requesting a connection to the Hydro One**
29 **distribution system. Cornwall Electric is in agreement with this request.**

30
31 **Hydro One is proposing to include, on the conditional basis noted above, only the specific lands on**
32 **which the three generators are located.**

33
34 **Due to the time required to reach agreement among the parties regarding which distributor**
35 **(Cornwall Electric or Hydro One) was able to make the connection and due to the further time**
36 **required to obtain the necessary approvals (including this application), the connection assessment**
37 **process for the three generators has been delayed. Hydro One therefore respectfully requests**
38 **expedited processing of this application in order that the system capacity that the generators were**
39 **planning to use can be allocated as soon as possible. Under Hydro One’s capacity allocation**
40 **process, system capacity for these projects cannot be allocated until their CIAs have been**
41 **completed as per section 6.2.4.1 a of the Distribution System Code (“DSC”), and initiation of the**
42 **CIA as noted above cannot occur until the SAA is in place.**

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44
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46 **7.1 BASIC FACTS**

47
48 **GENERAL**

49
50 **7.1.1 (a)**

51 *Provide the contact information for the applicant*
52 *Contact information includes the name, postal address, telephone number, and, where available, the*
53 *email address and fax number of the person*

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The Applicant:

Hydro One Networks Inc
Yoon Kim
Applications Analyst, Regulatory Affairs
Hydro One Networks Inc.
483 Bay Street
South Tower, 8th floor
Toronto, ON, M5G 2P5
Phone: 416-345-5228
Fax: 416-345-5866
E-mail: yoon.kim@hydroone.com

1 **7.1.1 (b)**

2 *Provide the contact information for the incumbent distributor*
3 *Contact information includes the name, postal address, telephone number, and, where available, the*
4 *email address and fax number of the person*
5

6 The Incumbent Distributor:

7 **Cornwall Street Railway Light and Power Company Limited**
8 **Douglas Bradbury**
9 **Director – Regulatory Affairs**
10 **Cornwall Street Railway Light and Power Company Limited**
11 **1130 Bertie Street**
12 **P.O. Box 1218**
13 **Fort Erie, ON L2A 5Y2**
14 **Phone: 905-994-3634**
15 **Fax: 905-994-2207**
16 **Email address: doug.bradbury@fortisontario.com**
17

18 **7.1.1 (c)**

19 *Provide every affected customer, landowner, and developer in the area that is the subject of the SAA*
20 *Application*
21 *Contact information includes the name, postal address, telephone number, and, where available, the*
22 *email address and fax number of the person*
23

24
25 The Registered Owner/Developer or Customer(s):

26
27 **EffiSolar Energy Corporation**
28 **William Xu**
29 **CEO**
30 **220-17 Fawcett Road**
31 **Coquitlam, BC V3K 6V2**
32 **Phone: 604-522-0060**
33 **Fax: 604-676-2457**
34 **Email: williamxu70@yahoo.com**
35

36 **Northland Power Solar Glendale L.P.**
37 **Mike Lord**
38 **General Manager, Solar Development**
39 **30 St. Clair Avenue West, 17th Floor**
40 **Toronto, ON M4V 3A1**
41 **Phone: 416-962-6262**
42 **Fax: 416-962-6266**
43 **Email address: mike.lord@northlandpower.ca**
44

45 **Penn Energy Renewables Ltd.**
46 **Kirt Mayland**
47 **General Counsel**
48 **1 Yonge Street, Suite 1801**
49 **Toronto, ON M5E 1W7**
50 **Phone: 610-668-0300**
51 **Fax: 610-668-0365**
52 **Email address: Kirt@pennenergytrust.com**
53

1 **7.1.1 (d) & (e)**

2
3 *Provide any alternate distributor other than the applicant and the incumbent distributor, if there are*
4 *any alternate distributors bordering on the area that is the subject of the SAA application; and*
5 *any representative of the persons listed above including, but not limited to, a legal representative*

- 6
7
 - There are no alternate distributors.

8
9 **7.1.2 REASONS FOR APPROVAL OF THIS AMENDMENT**

10
11 *Indicate the reasons why this amendment should occur and identify any load transfers eliminated by*
12 *the proposed SAA.*

- 13
14
 - The three generators have received FIT contracts from the OPA. Since the three
 - 15 generators' subject lands are located within the service territory boundaries of Cornwall
 - 16 Electric, and Cornwall Electric is not connected to the IESO-controlled grid, the generators
 - 17 are requesting connection to the Hydro One distribution system.
 - 18 • The three generators have committed in-service dates as follows: Northland Power Solar
 - 19 (April, 2012), Penn Energy (April, 2012) and EffiSolar Solar Farm (May, 2013).

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21
22
23 **DESCRIPTION OF PROPOSED SERVICE AREA**

24
25 **7.1.3**

26
27 *(a) Provide a detailed description of the lands that are the subject of the SAA application. For SAA*
28 *applications dealing with individual customers, the description of the lands should include the lot*
29 *number, the concession number, and the municipal address of the lands. The address should include*
30 *the street number, municipality and/or county, and postal code of the lands.*

31
32 *For SAA applications dealing with general expansion areas, the description of the lands should*
33 *include the lot number and the concession number of the lands, if available, as well as a clear*
34 *description of the boundaries of the area (including relevant geographical and geophysical features).*

35 **The following three generators currently located in Cornwall Electric's service territory are**
36 **proposed to be served by Hydro One:**

37
38 **1. EffiSolar Energy Corporation**

39 **Project Name:** EffiSolar Cornwall Solar Farm A
40 **Project Civic Address:** County Road 19 (Part Lot 5 and 6 /Concession 5), Township
41 of South Glengarry
42 **Project Location:** Part of Lots 5 & 6, Concession 5 in Township of South
43 Glengarry
44

45 **2. Northland Power Solar Glendale L.P.**

46 **Project Name:** Northland Power Solar Glendale
47 **Project Civic Address:** East side of Boundary Road at the intersection of Headline
48 Road (County Road 44)
49 **Project Location:** Part of Lots 15 & 16, Concession 5 & 6 in Township of South
50 Glengarry
51

52 **3. Penn Energy Renewables, Ltd.**

1 **Project Name:** Penn Energy – S. Glengarry_St. Lawrence-1
 2 **Project Civic Address:** 18461/18423 County Road 19, ON K0C 2J0
 3 **Project Location:** Lot 41, 41A, Plan 107 except Part 20 and 20A on 14R299, s/t
 4 IL 3007, TCH 4416, South Glengarry & Plan 107 – Pt Lot 40
 5 as in AR31461, Except Pt 1 & 2, 14R2143 S/T TCH 4357,
 6 Township of South Glengarry.
 7

8 ***(b) Provide geographic descriptions of the lands that are subject of the SAA application and how they***
 9 ***should be reflected on Schedule 1 of the applicants' electricity distribution licences.***

10
 11 **Hydro One Networks and Cornwall Electric's Licence Amendments**

12
 13 **Hydro One Networks Inc. – ED-2003-0043**

14
 15 **APPENDIX - TAB 4**

16
 17 **Name of Municipality:** **Township of South Glengarry**
 18
 19 **Formerly Known As:** Township of Charlottenburgh, Township of Lancaster, Village of
 20 Lancaster, Police Village of Martintown, as at December 31,
 21 1997
 22 **Area Not Served By Networks:** The area served by the Cornwall Street Railway Light and Power
 23 Company Limited described as part of the former Township of
 24 Charlottenburgh as more particularly set out in Licence No. ED-
 25 2004-0405.
 26
 27 **Networks assets within area**
 28 **not served by Networks:** Yes
 29
 30 **Customer(s) within area not**
 31 **served by Networks:** **Three Solar PV generator customers located at:**
 32 1. Part of Lots 5 & 6, Concession 5
 33 2. Part of Lots 15 & 16, Concession 5 & 6
 34 3. Lot 41, 41A, Plan 107 except Part 20 and 20A on 14R299,
 35 s/t IL 3007, TCH 4416 and Plan 107 – Pt Lot 40 as in
 36 AR31461, Except Pt 1 & 2, 14R2143 S/T TCH 4357
 37

38 ***→ Upon approval of this application, this will be amended as the above.***

39
 40
 41 **7.1.4 Provide maps/diagrams of the area that is the subject of the SAA application**
 42

7.1.4 (a)	<i>Borders of the applicant's service area</i>	See Attachment 1 - Map
7.1.4 (b)	<i>Borders of the incumbent distributor's service area</i>	
7.1.4 (c)	<i>Borders of any alternate distributor's service area</i>	
7.1.4 (d)	<i>Territory surrounding the area for which the applicant is making SAA application</i>	
7.1.4 (e)	<i>Geographical and geophysical features of the area including, rivers and lakes, property borders, roads, and major public facilities</i>	

7.1.4 (f)	<i>Existing facilities supplying the area that is the subject of the SAA application, if applicable, as well as the proposed facilities which will be utilized by the applicant to supply the area that is the subject of the SAA application (Note: if the proposed facilities will be utilized to also provide for expansion of load in the area that is the subject of the SAA application, identify that as well).</i>	
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3 **DISTRIBUTION INFRASTRUCTURE IN AND AROUND THE PROPOSED**
4 **AMENDMENT AREA**

5
6 **7.1.5**

7
8 *Provide a description of the proposed type of physical connection (i.e., individual customer;*
9 *residential subdivision, commercial or industrial development, or general service area expansion).*

- 10
11 • **If connected, the generators will be under the Distributed Generation (Dgen) rate**
12 **class. Depending on point of common coupling(s) (“PCC”) to be determined in the**
13 **CIA, each site may require one or more of the following; 1) a 44 kV line expansion, 2)**
14 **reconductoring of existing plant, and 3) the construction of dedicated line (see section**
15 **7.2.1(b))**

16
17 **7.1.6**

18
19 *Provide a description of the applicant’s plans, if any, for similar expansions in lands adjacent to the*
20 *area that is the subject of the SAA application.*
21 *Provide a map or diagram showing the lands where expansions are planned in relation to the area*
22 *that is the subject of the SAA application.*

- 23
24 • **Not Applicable**

25
26 **7.2 EFFICIENT RATIONALIZATION OF THE DISTRIBUTION SYSTEM**

27
28 *The proposed SAA will be evaluated in terms of rational and efficient service area realignment. This*
29 *evaluation will be undertaken from the perspective of economic (cost) efficiency as well as*
30 *engineering (technical) efficiency.*

31
32 *Applicants must demonstrate how the proposed SAA optimizes the use of existing infrastructure. In*
33 *addition, applicants must indicate the long term impacts of the proposed SAA on reliability in the*
34 *area to be served and on the ability of the system to meet growth potential in the area. Even if the*
35 *proposed SAA does not represent the lowest cost to any particular party, the proposed SAA may*
36 *promote economic efficiency if it represents the most effective use of existing resources and reflects*
37 *the lowest long run economic cost of service to all parties.*

- 38 • **The purpose of this SAA is to enable the connection of three generation projects to the**
39 **IESO-controlled Grid. These generation proponents, who propose to locate at three**
40 **sites in Cornwall, would normally become customers of Cornwall Electric, a utility**
41 **which is, however, not connected to the Ontario Grid, but to Hydro Quebec’s system.**
42 **The proponents have requested connection to Hydro One’s 44 kV feeder which runs**
43 **through Cornwall Electric’s service territory.**

- Hydro One submits that its proposed addition of these specific properties to its distribution licence is the only means by which these generators can participate in the FIT program and Ontario ratepayers can benefit from the use of the renewable power that will be generated.
- The use of Hydro One’s existing infrastructure running through Cornwall Electric’s service territory would allow Hydro One to serve these generators in an economically and operationally efficient way. There will be no potential for further growth in this circumstance because the subject area of this SAA is within Cornwall Electric’s service territory.
- Hydro One makes this application with the support of Cornwall Electric and the three generators. (See Attachment 2 – Letters)

7.2.1 ECONOMIC AND ENGINEERING EFFICIENCY

In light of the above, provide a comparison of the economic and engineering efficiency for the applicant and the incumbent distributor to serve the area that is the subject of the SAA application. (NOTE: (a), (b), (c), (d), (e), (f), (g), (h))

7.2.1 (a)

Location of the point of delivery and the point of connection

- **Section 7.1.4.**

7.2.1 (b)

Proximity of the proposed connection to an existing, well developed electricity distribution system

- **EffiSolar – approximately 0.3 km new line in Cornwall Electric’s service territory**
- **Northland Power – approximately 5.5 km new line in Cornwall Electric’s service territory**
- **Penn Energy – approximately 0.5 km new line in Cornwall Electric’s service territory**

7.2.1 (c)

The fully allocated connection costs for supplying the customer (i.e., individual customers or developers) unless the applicant and the incumbent distributor provide a reason why providing the fully allocated connection costs is unnecessary for the proposed SAA (Note: the Board will determine if the reason provided is acceptable).

- **The total costs for connecting the customers are not known at this point owing to the preliminary nature of the projects and the fact that CIA’s have not been completed. When cost estimates are developed, Hydro One will follow DSC cost responsibility rules to allocate project costs between the generators and ratepayers.**

- 1 • Specifically, Hydro One will use the \$90,000 per MW expansion cost cap for each of
2 the proposed generators as per section 3.2.5A of the DSC.
3
- 4 • In addition to the expansion costs, there may be a need for Hydro One to make
5 Renewable Enabling Improvements (“REI”) on its system. If so, the cost associated
6 with REI will be absorbed by Hydro One in accordance with sections 3.3.2 and 3.3.3
7 of the DSC.
8
- 9 • Any remaining costs for each project (i.e., project cost less eligible expansion cost
10 cap less REI if applicable) will be recovered from the individual generators
11 according to the DSC. Each generator will be required to sign a Connection Cost
12 Agreement (“CCA”) for recovery of those costs.
13

14 **7.2.1 (d)**

15 *The amount of any capital contribution required from the customer*

- 16
- 17
- 18 • Section 7.2.1 (c)
- 19

20 **7.2.1 (e)**

21 *Costs for stranded equipment (i.e., lines, cables, and transformers) that would need to be de-*
22 *energized or removed*

- 23
- 24 • None
- 25

26

27 **7.2.1 (f)**

28 *Information on whether the proposed SAA enhances, or at a minimum does not decrease, the*
29 *reliability of the infrastructure in the area that is the subject of the SAA application and in regions*
30 *adjacent to the area that is the subject of the SAA application over the long term*

- 31
- 32
- 33 • Not Applicable.
- 34

35 **7.2.1 (g)**

36 *Information on whether the proposed infrastructure will provide for cost-efficient expansion if there*
37 *is growth potential in the area that is the subject of the SAA application and in regions adjacent to*
38 *the area that is the subject of the SAA application*

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- 41 • Not Applicable
- 42

43 **7.2.1 (h)**

44 *Information on whether the proposed infrastructure will provide for cost-efficient improvements and*
45 *upgrades in the area that is the subject of the SAA application and in regions adjacent to the area*
46 *that is the subject of the SAA application.*

- 47
- 48 • Not Applicable
- 49

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2 **7.3 IMPACTS ARISING FROM THE PROPOSED AMENDMENT**

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4 **Description of Impacts**

5
6 **7.3.1**

7
8 *Identify any affected customers or landowners.*

- 9
10
 - **Section 7.1.1 (c)**

11
12
13 **7.3.2**

14
15 *Provide a description of any impacts on costs, rates, service quality, and reliability for customers in*
16 *the area that is the subject of the SAA application that arise as a result of the proposed SAA. If an*
17 *assessment of service quality and reliability impacts cannot be provided, explain why.*

- 18
19
 - **There is no Hydro One customer in the subject area of this SAA application.**

20
21
22 **7.3.3**

23
24 *Provide a description of any impacts on costs, rates, service quality, and reliability for customers of*
25 *any distributor outside the area that is the subject of the SAA application that arise as a result of the*
26 *proposed SAA. If an assessment of service quality and reliability impacts cannot be provided, explain*
27 *why.*

- 28
29
 - **Upon the Board’s conditional approval of this SAA, Hydro One will initiate a CIA which will study the impact of the proposed projects’ connection on the Hydro One distribution system and the supply station St. Lawrence TS.**
 - **Hydro One plans to allocate 100% of the net costs it bears in connecting the subject generators (including expansion costs and REI) to the Provincial Rate base. This allocation is being made because investments made by Hydro One with respect to the three generators are of benefit solely to the generators and the Province of Ontario and there will be no direct benefit to Hydro One ratepayers.**
 - **The above attribution of benefits will be subject to a detailed benefits assessments to be carried out at a later date. Hydro One is not requesting Board approval of the benefit allocation in this application.**

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44 **7.3.4**

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46 *Provide a description of the impacts on each distributor involved in the proposed SAA. If these*
47 *impacts have already been described elsewhere in the application, providing cross-references is*
48 *acceptable.*

1 • **Hydro One**

2 Upon the Board’s conditional approval of this SAA, Hydro One will acquire three
3 island-pocket-like lands of service territory within Cornwall Electric’s licensed
4 service area for the three generators, once the generators have connected and the
5 condition has been met.

6
7 • **Cornwall Electric**

8 Upon the Board’s conditional approval of this SAA, Cornwall Electric will lose
9 three island-pocket-like lands of service territory within Cornwall Electric’s
10 licensed service area, once the generators have connected and the condition has been
11 met.

12
13 **7.3.5**

14 *Provide a description of any assets which may be stranded or become redundant if the proposed SAA
15 is granted.*

- 16
17
18 • **No assets will be stranded as a result of this SAA.**

19
20 **7.3.6**

21 *Identify any assets that are proposed to be transferred to or from the applicant. If an asset transfer is
22 required, has the relevant application been filed in accordance with section 86 of the Act? If not,
23 indicate when the applicant will be filing the relevant section 86 application.*

- 24
25
26 • **There will be no transfer of assets.**

27
28 **7.3.7**

29 *Identify any customers that are proposed to be transferred to or from the applicant.*

- 30
31
32 • **Section 7.1.1 (c)**

33
34
35 **7.3.8**

36 *Provide a description of any existing load transfers or retail points of supply that will be eliminated.*

- 37
38
39 • **Not Applicable**

40
41 **7.3.9**

42 *Identify any new load transfers or retail points of supply that will be created as a result of the
43 proposed SAA. If a new load transfer will be created, has the applicant requested leave of the Board
44 in accordance with section 6.5.5 of the Distribution System Code (“DSC”)?*

45 *If not, indicate when the applicant will be filing its request for leave under section 6.5.5 of the DSC
46 with the Board. If a new retail point of supply will be created, does the host distributor (i.e., the
47 distributor who provides electricity to an embedded distributor) have an applicable Board approved
48 rate? If not, indicate when the host distributor will be filing an application for the applicable rate.*

- Not Applicable

EVIDENCE OF CONSIDERATION AND MITIGATION OF IMPACTS

7.3.10

Provide written confirmation by the applicant that all affected persons have been provided with specific and factual information about the proposed SAA. As part of the written confirmation, the applicant must include details of any communications or consultations that may have occurred between distributors regarding the proposed SAA.

- Cornwall Electric, EffiSolar, Northland Power and Penn Energy are aware of the connection issues and support Hydro One proceeding with this SAA. (See Attachment 2 – Letters)

7.3.11

Provide a letter from the incumbent distributor in which the incumbent distributor indicates that it consents to the application.

- See Attachment 2 – Letters

7.3.12

Provide a written response from all affected customers, developers, and landowners consenting to the application, if applicable.

- See Attachment 2 – Letters

7.3.13

Provide evidence of attempts to mitigate impacts where customer and/or asset transfers are involved (i.e., customer rate smoothing or mitigation, and compensation for any stranded assets).

- Not Applicable

7.4 CUSTOMER PREFERENCE

7.4.1

An applicant who brings forward an application where customer choice may be a factor must provide a written statement signed by the customer (which includes landowners and developers) indicating the customer's preference.

- See Attachment 2 – Letters

1 **7.5 ADDITIONAL INFORMATION REQUIREMENTS FOR CONTESTED**
2 **APPLICATIONS**

3
4 *If there is no agreement among affected persons regarding the proposed SAA, the applicant must file*
5 *the additional information set out below.*

- 6
7
 - **Not Applicable**

8
9
10 **7.5.1**

11 *If the application was initiated due to an interest in service by a customer, landowner, or developer,*
12 *evidence that the incumbent distributor was provided an opportunity to make an offer to connect that*
13 *customer, landowner, or developer.*

- 14
15
16
 - **Not Applicable**

17
18
19 **7.5.2**

20 *Evidence that the customer, landowner, or developer had the opportunity to obtain an offer to*
21 *connect from the applicant and any alternate distributor bordering on the area that is the subject of*
22 *the SAA application.*

- 23
24
25
 - **Not Applicable**

26
27 **7.5.3**

28 *Actual copies of, as well as a summary of, the offer(s) to connect documentation (including any*
29 *associated financial evaluations carried out in accordance with Appendix B of the Distribution*
30 *System Code). The financial evaluations should indicate costs associated with the connection*
31 *including, but not limited to, on-site capital, capital required to extend the distribution system to the*
32 *customer location, incremental up-stream capital investment required to serve the load, the present*
33 *value of incremental OM&A costs and incremental taxes as well as the expected incremental*
34 *revenue, the amount of revenue shortfall, and the capital contribution requested.*

- 35
36
 - **Not Applicable**

37
38
39 **7.5.4**

40 *If there are competing offers to connect, a comparison of the competing offers to connect the*
41 *customer, landowner, or developer.*

- 42
43
44
 - **Not Applicable**

45
46 **7.5.5**

47 *A detailed comparison of the new or upgraded electrical infrastructure necessary for each distributor*
48 *to serve the area that is the subject of the SAA application, including any specific proposed*
49 *connections.*

- 1
2
3 • **Not Applicable**
4
5

6 **7.5.6**

7 *Outage statistics or, if outage statistics are not available, any other information regarding the*
8 *reliability of the existing line(s) of each distributor that are proposed to supply the area that is the*
9 *subject of the SAA application.*

- 10
11
12 • **Not Applicable**
13
14

15 **7.5.7**

16 *Quantitative evidence of quality and reliability of service for each distributor for similar customers in*
17 *comparable locations and densities to the area that is the subject of the SAA application.*

- 18
19
20 • **Not Applicable**
21
22

23 **7.6 OTHER**

24 *It is the sole responsibility of the Applicant to provide all information that is relevant and that would*
25 *assist the Board in making a determination in this matter. Failure to provide key information may*
26 *result in a delay in the processing of the application or in the denial of the application.*

27
28
29 **7.7 REQUEST FOR NO HEARING**
30

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

33 *(a) an explanation as to how no person, other than the applicant and the proposed recipient, will be*
34 *adversely affected in a material way by the outcome of the proceeding AND*

35 *(b) the proposed recipient's written consent to the disposal of the application without a hearing.*
36

37 **Hydro One requests that the application be disposed of without a hearing.**

38
39 **(a,b) The impact of the proposed SAA is limited to Cornwall Electric, Hydro One and the**
40 **three generators. Cornwall Electric and the three generators support Hydro One**
41 **proceeding with this SAA application without a hearing (See Attachment 2 – Letters).**
42
43

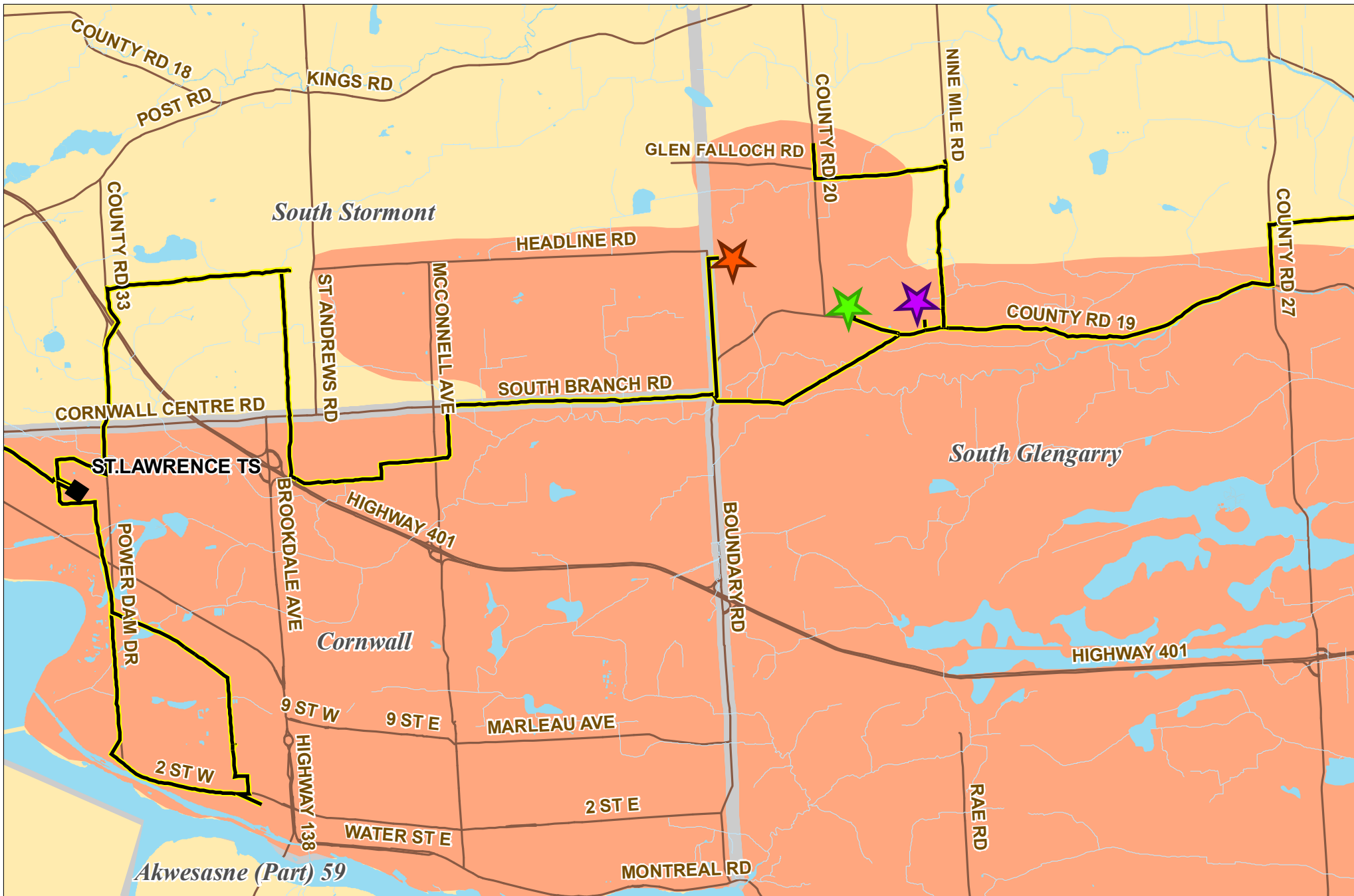
44
45 _____
46 **Andrew Skalski,**
47 **Director – Major Projects and Partnerships**
48 **Hydro One Networks Inc.**
49 **Dated: _____**
50
51

7.8 CERTIFICATION AND ACKNOWLEDGMENT STATEMENT

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

Andrew Skalski,
Director – Major Projects and Partnerships
Hydro One Networks Inc.
Dated: _____

ATTACHMENT 1 – MAPS






hydro one
 Produced By: Inergi LP, GIS Services
 Date: December 2010
 Map10-69






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NOT TO BE REPRODUCED OR REDISTRIBUTED CONFIDENTIAL TO HYDRO ONE NETWORKS INC.



-  Northland Power Solar Glendale LP
(Part of Lots 15 and 16, Con 5 and 6, Township of South Glengarry)
-  Penn Energy Renewables Ltd.
(Lot 41, 41A, Plan 107 except Part 20 and 20A on 14R299, s/t IL 3007, TCH 4416, SG)
(Plan 107 – Pt Lot 40 as in AR31461, Except Pt 1 and 2, 14R2143 S/T TCH 4357, SG)
-  EFFISOLAR ENERGY CORPORATION
(Part lots 5 and 6, Con 5, Township of South Glengarry)

-  Municipal Boundary
-  Roads
-  44 kV Line
-  Cornwall Electric Service Area
-  Hydro One Service Area



Cornwall



ATTACHMENT 2 - LETTERS



PENN ENERGY RENEWABLES, LTD.

a Penn Energy Trust company

November 9, 2010

BY E-MAIL (PDF) AND MAIL/COURIER (Signed Hard Copy)

Mr. Jeff Reid
Distribution Account Executive
Hydro One Networks Inc.
P.O. Box 6090 (Mail only)
30 Upper Lake Street (Courier only)
Picton, ON
K0K 2T0
CANADA

Re: Hydro One Networks Inc.'s Service Area Amendment Application – Penn Energy - S.
Glengarry_St. Lawrence-1 10 MW Solar Generation Project

Dear Mr. Reid,

This is to confirm that Penn Energy Renewables Ltd. consents to Hydro One Networks' proposed service area amendment application to serve our Penn Energy - S. Glengarry_St. Lawrence-1 10 MW Solar Generation Project located in the Township of South Glengarry. Penn Energy Renewables Ltd. also supports Hydro One to proceed with this service area amendment application without an Ontario Energy Board hearing.

Should you require anything further please feel free to contact this office.

Sincerely,

Kirt Mayland
General Counsel
Penn Energy Renewables Ltd.



November 9, 2010

BY E-MAIL (PDF) AND MAIL/COURIER (Signed Hard Copy)

Jeff Reid
Distribution Account Executive
Hydro One Networks Inc.
P.O. Box 6090 (Mail only)
30 Upper Lake Street (Courier only)
Picton, ON
K0K 2T0

Dear Mr. Reid,

Re: Hydro One Networks Inc.'s Service Area Amendment Application – Northland Power Solar Glendale Project

This is to confirm that Northland Power Solar Glendale L.P. consents to Hydro One Networks' proposed service area amendment application to serve our 10 MW Solar Generation Project (called Northland Power Solar Glendale) located in the Township of South Glengarry. Northland Power Solar Glendale L.P. also supports Hydro One to proceed with this service area amendment application without an Ontario Energy Board hearing.

Should you require anything further please feel free to contact this office.

Sincerely,

Mike Lord

General Manager, Solar Development

Northland Power Solar Glendale L.P.



November 9, 2010

BY E-MAIL (PDF) AND MAIL/COURIER (Signed Hard Copy)

Jeff Reid
Distribution Account Executive
Hydro One Networks Inc.
P.O. Box 6090 (Mail only)
30 Upper Lake Street (Courier only)
Picton, ON
K0K 2T0

Dear Mr. Reid,

Re: Hydro One Networks Inc.'s Service Area Amendment Application – EffiSolar Cornwall Solar Farm A

This is to confirm that EffiSolar Energy Corporation consents to Hydro One Networks' proposed service area amendment application to serve our EffiSolar Cornwall Solar Farm A in the Township of South Glengarry. EffiSolar Energy also supports Hydro One to proceed this service area amendment application without a hearing.

Should you require anything further please feel free to contact me at 647-892-7177 or ronnie@effisolar.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Ronnie Tan", written over a diagonal line.

Ronnie Tan
VP Project Management
EffiSolar Energy Corporation

EffiSolar Energy Corporation
220-17 Fawcett Rd, Coquitlam, BC V3K 6V2
Tel: 604-552-0060 Fax: 606-676-2457
www.effisolar.com



December 17, 2010

Mr. Andrew Skalski
Director – Major Projects and Partnerships
Regulatory Affairs
Hydro One Networks Inc.
8th Floor, South Tower
483 Bay Street
Toronto, ON M5G 2P5

Dear Mr. Skalski:

RE: HYDRO ONE NETWORKS INC. APPLICATION FOR LICENCE AMENDMENT

This is to confirm that Cornwall Street Railway Light and Power Company Limited (“Cornwall Electric”) supports your application to amend Hydro One Networks Inc.’s (“Hydro One”) Distribution Licence as proposed in Hydro One’s service area amendment application with respect to the three Generator Customers described therein. Also, Cornwall Electric supports Hydro One’s request to proceed with this service area amendment without a hearing.

Yours truly,

Douglas R. Bradbury
Director, Regulator Affairs