Appendix A

Letter from the Minister of Energy & Order in Council

Ministry of Energy and Electrification

Office of the Minister

77 Grenville Street, 10th Floor
Toronto ON M7A 2C1
Tel.: 416-327-6758

Ministère de l'Énergie et de l'Électrification

Bureau du ministre

77, rue Grenville, 10e étage
Toronto ON M7A 2C1
Tél. : 416-327-6758

Ontario

MC-994-2024-1080

December 19, 2024

Mark White
Chair of Board of Directors
Ontario Energy Board
2300 Yonge St, 27 Floor
PO Box 2319
Toronto ON M4P 1E4

Dear Mr. White:

Electricity demand in northeastern Ontario is projected to grow rapidly over the next decade due to community growth, electrification initiatives, and economic development, including advanced manufacturing and mining for critical minerals. This has underscored the need to mitigate against regulatory delays in the approval processes for critical electricity transmission projects. As we have outlined in our *Powering Ontario's Growth* plan (July 2023), expanding the transmission system is critical to maintaining Ontario's clean energy advantage.

The Independent Electricity System Operator issued a bulk planning report entitled "Need for Northeast Bulk System Reinforcements" in October 2022. This study recommended that a new transmission line in northeast Ontario should come into service no later than 2030: a new 230 kilovolt (kV), approximately 260-kilometre transmission line (built to 500 kV standards) running between Wawa Transformer Station (south of Wawa) and Porcupine Transformer Station (Timmins area).

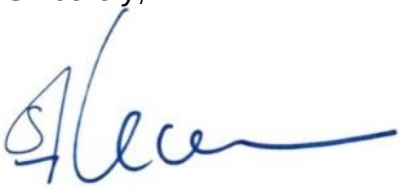
I am writing today to inform you that under the authority of section 96.1(1) of the *Ontario Energy Board Act, 1998* (the Act), the Lieutenant Governor in Council made an order declaring that the construction, expansion or reinforcement of this transmission line is needed as a priority project. The Order in Council, which is now effective, is attached to this letter.

…/cont'd

Furthermore, under the authority of section 28.6.1 of the Act, I am, with the approval of the Lieutenant Governor in Council pursuant to Order in Council No. OC-1555-2024, issuing a directive to the Ontario Energy Board (OEB) to require the OEB to amend Hydro One Networks Inc. (Hydro One)'s electricity transmission licence to include a requirement that it proceed to develop and seek all necessary approvals for this priority project. The intention of directing the OEB to amend Hydro One's licence is to further support efforts for the timely and cost-effective development of the transmission line.

Please do not hesitate to contact my office with any questions.

Sincerely,



Stephen Lecce
Minister

Ontario

Executive Council of Ontario
Order in Council

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Conseil exécutif de l'Ontario
Décret

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS the Government remains committed to ensuring Ontario has an affordable, reliable, and clean electricity system and considers it critical to expand Ontario's transmission system to provide a reliable and adequate supply of electricity to Northeastern Ontario to support economic growth and electrification initiatives in the region;

AND WHEREAS the Independent Electricity System Operator, the organization responsible for ensuring the reliability of Ontario's electricity grid, has published a bulk planning report dated October 27, 2022, entitled the "Need for Northeast Bulk System Reinforcements", which recommended a new transmission line running between the south of Wawa and Timmins region as the appropriate and most cost-effective solution required to meet expected demand growth and system needs;

AND WHEREAS the Government has determined that the development of the transmission project should be undertaken by a transmitter that is best positioned to ensure that the infrastructure can be developed expediently and on a timeline that supports economic growth, and that has a demonstrated commitment to and progress toward advancing economic participation opportunities for Indigenous communities;

AND WHEREAS the Government has determined that the preferred manner of proceeding is to require Hydro One Networks Inc. to undertake the development of the transmission project, including taking any and all steps that are deemed to be necessary and desirable in order to seek required approvals and fulfilling, as part of the environmental assessment process and other applicable authorizations and permits, any procedural aspects of the Crown's duty to consult potentially impacted Indigenous communities that may be delegated to it;

AND WHEREAS the Minister of Energy and Electrification has, with the approval of the Lieutenant Governor in Council, the authority to issue Directives pursuant to section 28.6.1 of the *Ontario Energy Board Act, 1998*, which relate to the construction, expansion or re-enforcement of transmission systems and to designate a transmitter for this purpose;

NOW THEREFORE the Directive attached hereto is approved and shall be and is effective as of the date hereof.

ATTENDU QUE le gouvernement demeure déterminé à s'assurer que l'Ontario dispose d'un réseau électrique abordable, fiable et propre et considère qu'il est essentiel d'étendre le réseau de transport d'électricité de l'Ontario afin d'offrir un approvisionnement fiable et adéquat en électricité dans le Nord-Est de l'Ontario pour soutenir la croissance économique et les projets d'électrification de la région;

ET ATTENDU que la Société indépendante d'exploitation du réseau d'électricité, l'organisme responsable de la fiabilité du réseau électrique, a publié un rapport de planification d'ensemble du 27 octobre 2022, intitulé « Need for Northeast Bulk System Reinforcements », qui recommandait une nouvelle ligne de transport entre le sud de Wawa et la région de Timmins à titre de solution appropriée et la plus rentable requise pour répondre à la croissance prévue de la demande et aux besoins du réseau;

ET ATTENDU QUE le gouvernement a décidé que le développement des projets de transport doit être entrepris par le transporteur le mieux placé pour s'assurer que les infrastructures peuvent être mises en place rapidement et conformément à un calendrier qui soutient la croissance économique, et qui a montré la preuve de son engagement et de ses progrès pour faire avancer les occasions de participation économique pour les communautés autochtones;

ET ATTENDU QUE le gouvernement a décidé que la meilleure façon de procéder consiste à exiger qu'Hydro One Networks Inc. entreprenne le développement des projets de transport, y compris prendre toutes les mesures qui sont jugées nécessaires et souhaitables afin d'obtenir les approbations requises et de remplir, dans le cadre du processus d'évaluation environnementale et des autres autorisations et permis applicables, les aspects procéduraux de l'obligation de la Couronne de consulter les communautés autochtones potentiellement concernées, qui peuvent lui être délégués;

ET ATTENDU QUE le ministre de l'Énergie a, avec l'approbation du lieutenant-gouverneur en conseil, le pouvoir de donner des directives conformément à l'article 28.6.1 de la *Loi de 1998 sur la Commission de l'énergie de l'Ontario*, à l'égard de la construction, de l'extension ou du renforcement des réseaux de transport, et de désigner un transporteur à cet effet;

PAR CONSÉQUENT, la directive jointe aux présentes est approuvée et entre en vigueur à la date des présentes.

Recommended: Minister of Energy and Electrification
Recommandé par : Le ministre de l'Énergie

Concurred: Chair of Cabinet
Appuyé par : la présidence du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : NOV 2 8 2024

Administrator of the Government
L'administratrice du gouvernement

MINISTER'S DIRECTIVE

TO: THE ONTARIO ENERGY BOARD

I, Stephen Lecce, Minister of Energy and Electrification, hereby direct the Ontario Energy Board ("Board") pursuant to section 28.6.1 of the *Ontario Energy Board Act, 1998* as follows:

1. The Board shall amend the conditions of the electricity transmission licence of Hydro One Networks Inc. ("Hydro One") to include a requirement that Hydro One proceed to do the following related to the construction, expansion or reinforcement of its transmission system:
    i. Develop and seek approvals for the following transmission line project:
        1. A new 230 kilovolt (kV) transmission line (built to 500 kV standards) from Wawa Transformer Station to Porcupine Transformer Station, including associated station facility expansions or upgrades required at the terminal stations.
2. The Board shall require that Hydro One provide such reporting to the Board as the Board may consider appropriate, with respect to budget, timing, and risks in relation to the development of the transmission line project listed in sub-paragraph 1 i.
3. The Board shall make the amendments to Hydro One's electricity transmission licence without holding a hearing.

DIRECTIVE DU MINISTRE

DESTINATAIRES : LA COMMISSION DE L'ÉNERGIE DE L'ONTARIO

Je soussigné, Stephen Lecce, ministre de l'Énergie et de l'Électrification, ordonne par les présentes à la Commission de l'énergie de l'Ontario (la « Commission »), en vertu de l'article 28.6.1 de la *Loi de 1998 sur la Commission de l'énergie de l'Ontario* ce qui suit :

1. La Commission est tenue de modifier les conditions du permis de transport d'électricité d'Hydro One Networks Inc. (« Hydro One ») afin d'ajouter l'exigence qu'Hydro One procède à ce qui suit dans le cadre de la construction, de l'extension ou du renforcement de son réseau de transport :
    i. Élaborer les projets de ligne de transport ci-dessous et obtenir les approbations :
        1. Une nouvelle ligne de transport de 230 kilovolts (kV) (construite selon les normes de 500 kV) allant du poste de transformation de Wawa au poste de transformation de Porcupine, y compris les extensions des installations des postes associés ou les mises à niveau requises aux postes d'arrivée.
2. La Commission exige qu'Hydro One lui fournisse les rapports qu'elle peut considérer comme appropriés concernant le budget, le calendrier et les risques liés au développement des projets de lignes de transport énumérés à l'alinéa 1 i.
3. La Commission apportera les modifications au permis de transport d'électricité d'Hydro One sans tenir une audience.

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

DECISION AND ORDER

EB-2024-0361

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

BY DELEGATION, BEFORE: **Brian Hewson**
Vice President,
Consumer Protection & Industry Performance

December 23, 2024

INTRODUCTION AND SUMMARY

Further to a directive from the Minister of Energy (Minister), the Ontario Energy Board (OEB), of its own motion, is commencing this proceeding to amend the electricity transmission licence[1] of Hydro One Networks Inc. (Hydro One) to require it to develop and seek approvals for a transmission line project.

BACKGROUND

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

The OEB received a directive under section 28.6.1 of the Act (Directive) from the Minister, which was approved by the Lieutenant Governor in Council on November 28 2024 as Order in Council No. 1555/2024. The Order in Council accompanying the Directive states that it is critical to expand Ontario's transmission system to provide a reliable and adequate supply of electricity to Northeastern Ontario to support economic growth and electrification initiatives in the region.

The Directive requires the OEB to amend Hydro One's electricity transmission licence to require Hydro One to develop and seek approvals for a new 230 kilovolt (kV) transmission line (built to 500 kV standards) from Wawa Transformer Station to Porcupine Transformer Station, including associated station facility expansions or upgrades required at the terminal stations (Project).

The Directive also directs the OEB to require that Hydro One provide such reporting to the OEB as the OEB may consider appropriate with respect to budget, timing and risks in relation to the development of the Project.

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

This Decision and Order is being issued by Delegated Authority without a hearing.

[1] ET-2003-0035

DECISION

Further to the Directive, the OEB is amending Hydro One's electricity transmission licence to require it to develop and seek approvals for the Project.

Reporting requirements to enable the OEB to monitor Hydro One's progress towards the implementation of the conditions being added to its electricity transmission licence today, including budget, timing and risks, will be addressed at a later date.

IT IS ORDERED THAT:

1. Hydro One Networks Inc.'s electricity transmission licence ET-2003-0035 is amended by adding the following new condition:

    19.10.1 The Licensee shall develop and seek approval for a new 230 kilovolt (kV) transmission line (built to 500 kV standards) from Wawa Transformer Station to Porcupine Transformer Station, including associated station facility expansions or upgrades required at the terminal stations.

DATED at Toronto, December 23, 2024

ONTARIO ENERGY BOARD



Brian Hewson
Vice President, Consumer Protection & Industry Performance

Ontario

Executive Council of Ontario
Order in Council

On the recommendation of the undersigned, the Lieutenant Governor of Ontario, by and with the advice and concurrence of the Executive Council of Ontario, orders that:

Conseil exécutif de l'Ontario
Décret

Sur la recommandation de la personne soussignée, le lieutenant-gouverneur de l'Ontario, sur l'avis et avec le consentement du Conseil exécutif de l'Ontario, décrète ce qui suit :

WHEREAS the Government remains committed to ensuring Ontario has an affordable, reliable, and clean electricity system and considers it critical to expand Ontario's transmission system to provide a reliable and adequate supply of electricity to support economic growth and electrification initiatives throughout Northeastern Ontario;

AND WHEREAS Ontario considers the expansion of the electricity network in Northeastern Ontario to support economic growth and electrification to be a priority;

AND WHEREAS the Independent Electricity System Operator, the organization responsible for ensuring the reliability of Ontario's electricity grid, has published a bulk planning report dated October 27, 2022, entitled the "Need for Northeast Bulk System Reinforcements", which recommended a new transmission line running between the south of Wawa and Timmins region as the appropriate and cost-effective solution required to meet expected demand growth and system needs;

AND WHEREAS the Lieutenant Governor in Council may make an order under section 96.1 of the *Ontario Energy Board Act, 1998* (the "Act") declaring that the construction, expansion or reinforcement of an electricity transmission line specified in the order is needed as a priority project;

AND WHEREAS an order under section 96.1 of the Act requires the Ontario Energy Board, in considering an application under section 92 of the Act in respect of an electricity transmission line specified in the order, to accept that the construction, expansion or reinforcement is needed when forming its opinion under section 96 of the Act;

NOW THEREFORE it is hereby declared pursuant to section 96.1 of the Act that the construction, expansion or reinforcement of the following electricity transmission line is needed as a priority project:

A new 230 kilovolt (kV) transmission line (built to 500 kV standards) from Wawa Transformer Station to Porcupine Transformer Station, including associated station facility expansions or upgrades required at these terminal stations.

O.C. | Décret : 1554/2024

ATTENDU QUE le gouvernement demeure déterminé à s'assurer que l'Ontario dispose d'un réseau électrique abordable, fiable et propre et considère qu'il est essentiel d'étendre le réseau de transport d'électricité de l'Ontario afin d'offrir un approvisionnement fiable et adéquat en électricité pour soutenir la croissance économique et les projets d'électrification dans le Nord-Est de l'Ontario;

ET ATTENDU QUE l'Ontario considère l'extension du réseau électrique au Nord-Est de l'Ontario pour soutenir la croissance économique et l'électrification comme des priorités;

ET ATTENDU que la Société indépendante d'exploitation du réseau d'électricité, l'organisme responsable de la fiabilité du réseau électrique, a publié un rapport de planification d'ensemble du 27 octobre 2022, intitulé « Need for Northeast Bulk System Reinforcements », qui recommandait une nouvelle ligne de transport entre le sud de Wawa et la région de Timmins à titre de solution appropriée et rentable requise pour répondre à la croissance prévue de la demande et aux besoins du réseau;

ET ATTENDU QUE le lieutenant-gouverneur en conseil peut, en vertu de l'article 96.1 de *Loi de 1998 sur la Commission de l'énergie de l'Ontario* (la « Loi »), déclarer par décret que la construction, l'extension ou le renforcement d'une ligne de transport d'électricité précisée dans un décret est nécessaire à titre de projet prioritaire;

ET ATTENDU QU'un décret pris en vertu de l'article 96.1 de la Loi exige que la Commission de l'énergie de l'Ontario, lors de l'examen d'une requête présentée en vertu de l'article 92 de la Loi concernant une ligne de transport d'électricité précisée dans le décret, accepte le fait que la construction, l'extension ou le renforcement est nécessaire lorsqu'elle se fait une opinion dans le cadre de l'article 96;

PAR CONSÉQUENT, il est déclaré aux présentes que conformément à l'article 96.1 de La Loi, la construction, l'extension ou le renforcement de la ligne de transport d'électricité ci-dessous sont nécessaires à titre de projets prioritaires :

Une nouvelle ligne de transport de 230 kilovolts (kV) (construite selon les normes de 500 kV) allant du poste de transformation de Wawa au poste de transformation de Porcupine, y compris les extensions des installations des postes associés ou les mises à niveau requises aux postes d'arrivée.

Recommended: Minister of Energy and Electrification
Recommandé par : Le ministre de l'Énergie

Concurred: Chair of Cabinet
Appuyé par : la présidence du Conseil des ministres

Approved and Ordered:
Approuvé et décrété le : NOV 2 8 2024

Administrator of the Government
L'administratrice du gouvernement