TRANSMISSION LOAD CONNECTIONS

HYDRO ONE NETWORKS INC. SEPTEMBER 2014
Important Information for Transmission Load Customers

This package was published for Hydro One’s Tx Load Connection Customers as a supplement to the “Transmission Connection Procedures” document, which outlines the complete process and requirements and is available at http://www.hydroone.com/IndustrialLDCs/ConnectionProcess/Pages/Getting Started.aspx. We highly encourage customers to review the Transmission Connection Procedures and ensure they are aware of all required approvals, processes, organizations and costs prior to undertaking the application process. Failure to do so may cause delays in the process. Also, this package is in no way intended to be interpreted as the views of any other organization. For more information on the process please visit http://www.hydroone.com/Generators/Pages/Transmission-connected.aspx. Any questions regarding the process can be directed to your Hydro One Account Executive or LargeAccounts@HydroOne.com.
Hydro One is proud to supply electricity to over 90 transmission-connected Large Industrial Customers, close to 100 transmission-connected Generators and over 70 Local Distribution Companies (LDCs) across Ontario. All of these Customers have significant power requirements.

The Transmission Load Connection Customer Package also assists Customers who are requesting a new or modified connection to Hydro One’s transmission system. The process is consistent with the transmission connection procedures that have been filed with the Ontario Energy Board (OEB).

Hydro One’s Transmission Load Customers must follow a comprehensive process in order to become connected to the transmission system. The information in the Transmission Load Connection Customer Package helps to clarify the process by providing important information that Customers should know prior to connecting their facility. Customer must also review the “Transmission Connections Procedures” document for detailed process information.

Important: This document is a supplement to the “Hydro One Transmission Connection Procedures” document. Customers should refer to the Procedures document, as well as the Independent Electricity System Operator’s and Ontario Energy Board’s Transmission Load Connection documents and processes.
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Important: This document is a supplement to the “Hydro One Transmission Connection Procedures” document. Customers should refer to the Procedures document, as well as the Independent Electricity System Operator’s and Ontario Energy Board’s Transmission Load Connection documents and processes.

Important: The complexity of your project and the associated appraisals required throughout the process could have a significant impact on your project’s timelines. They can include but are not limited to Ontario Energy Board (OEB) approvals (e.g. Leave to Construct), environmental approvals, municipal approvals and permits, including land easements and land acquisitions.

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**ROLES OF KEY PLAYERS IN ONTARIO’S ELECTRICITY INDUSTRY**

- **Hydro One**: Utility and licensed Transmitter. Responsible to operate and maintain the Transmission System, including new connections once approved. Physically connects your facility and ensures safety.
- **Ontario Power Authority (OPA)**: Plans and procures electricity supply through various energy programs for the Ontario Government.
- **Consumer (You)**: Builds and connects facilities to the electrical grid.
- **Ontario Energy Board**: Governs the legislation and regulations (Transmission System Code and Distribution System Code).
- **Electricity Safety Authority**: Enhances public electrical safety in Ontario.

*Ensure to review websites*

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**TRANSMISSION LOAD CONNECTION PROCESS MILESTONES**

**PHASE 0 (OPTIONAL)**
- **YOU**: Request Feasibility Study
- **Hydro One**: Complete Feasibility Study
- **IESO**: Receive connection application
- **OEB**: Receive connection application

**PHASE 1**
- **YOU**: Receive connection application
- **Hydro One**: Start CIA Study Agreement
- **IESO**: Complete CIA & provide to impacted Customers
- **OEB**: Complete CIA & notify Hydro One

**PHASE 2**
- **YOU**: Complete CIA Study Agreement & pay Hydro One
- **Hydro One**: Start CCE Study Agreement & pay Hydro One
- **IESO**: Sign/Execute CCE Study Agreement & begin milestone payments
- **OEB**: Complete and provide you with the Connection Cost Estimate

**PHASE 3**
- **YOU**: Sign/Execute CIA Study Agreement & pay Hydro One
- **Hydro One**: Complete and provide you with the Connection Cost Estimate
- **IESO**: Completes and provides you with your CCRA
- **OEB**: *Review and issue you a ‘Leave to Construct’ (Section 92)*

**PHASE 4**
- **YOU**: Apply to the OEB “for a Leave to Construct”
- **Hydro One**: Work with Hydro One on TCA
- **IESO**: Design facility, initiate TCA & procure resources and materials
- **OEB**: Approve the taking of power

**PHASE 5**
- **YOU**: Submit final drawings to Hydro One
- **Hydro One**: *Grant you Wholesaler License*
- **IESO**: *Register as Wholesale Market Participant with IESO* (single line diagram)
- **OEB**: Finalize TCA, COVER (i.e. confirmation of verification evidence report) & SLD

**PHASE 6**
- **YOU**: Receive connection application
- **Hydro One**: Gain all other connection approvals (i.e. environmental, real estate, regulatory, etc.)
- **IESO**: Work with Hydro One on TCA
- **OEB**: Receive connection application
- **Final Step**: Make commercial arrangement with IESO for supply of power

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CIA = CUSTOMER IMPACT ASSESSMENT, SIA = SYSTEM IMPACT ASSESSMENT, IESO = INDEPENDENT ELECTRICITY SYSTEM OPERATOR, OEB = ONTARIO ENERGY BOARD, CCE = CONNECTION COST ESTIMATE, CCRA = CONNECTION COST RECOVERY AGREEMENT, TCA = TRANSMISSION CONNECTION AGREEMENT, COVER = CONFIRMATION OF VERIFICATION EVIDENCE REPORT, SLD = SINGLE LINE DIAGRAM

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Important: Public consultation must be undertaken. It is highly recommended that you contact the Ministry of Energy early in the process to identify First Nation and Métis communities that should be included in public engagement or consultation activities.
## Payments, Timelines & Requirements

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### What Is Happening During The Phase?

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<tr>
<td><strong>PHASE 6</strong></td>
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### What Do I Need To Do?

**Provide your Account Executive all known connection information, execute the Feasibility Study and provide payment to Hydro One.** Study will not commence until you provide payment to Hydro One.

### What Is Hydro One Doing?

**Provides you with a Feasibility Study Agreement and connection options through the completed Feasibility Study.**

### Important:

- The Transmission Load Connection Process takes approximately 21-36 months, however actual completion time varies significantly from project to project and is dependent on the project’s complexity, and required approvals, such as public consultations, permits, and required financial contributions and construction work for the required facilities. It is highly recommended that you contact the Ministry of Energy early in the process to identify First Nation and Métis communities that should be included in public engagement or consultation activities. Regarding payments, payments to Hydro One are required at various stages (see “What Do I Need To Do?” above) in order for your application to move forward. Failure to make the required payments on time will result in delays to your application, it is the customer’s responsibility to ensure all of their payments are made and other requirements are met correctly as Hydro One will not be held responsible for any delays.

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**Important:** This document is a supplement to the “Hydro One Transmission Connection Procedures” document. Customers should refer to the Procedures document, as well as the Independent Electricity System Operator’s and Ontario Energy Board’s Transmission Load Connection documents and processes.
**FEASIBILITY STUDY:**

**PHASE 0**

**A PRELIMINARY ASSESSMENT** of your proposed connection is performed by Hydro One and, only if deemed necessary, an in-depth assessment known as a **FEASIBILITY STUDY**, is completed. A Feasibility Study is undertaken if there are potential issues with your connection relating to location, capacity, equipment, safety, resource availability or for other various reasons.

The goal of a Feasibility Study is to identify the most preferred connection option for you while also providing an estimate of the cost of your proposed connection based on the most accurate information available at the time the study is run.

The study consists of **4 steps** which are outlined below, along with your requirements as the Customer.

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**STEP 1**

**Contact Hydro One to get started**

Get started by emailing your interest to LargeAccounts@HydroOne.com—include “Tx Load Connection Inquiry” in the subject line. A Hydro One Account Executive makes initial contact with you by phone or email to discuss your application. If necessary, the Account Executive may set up a preliminary face-to-face meeting with you to further discuss the requirements of your connections and provide you with an estimate of the project cost. Should you choose to proceed with a Feasibility Study, a Feasibility Study Agreement is required.

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**STEP 2**

**Develop cost & scope of the study**

Prior to proceeding with the Feasibility Study, a Feasibility Study Agreement needs to be completed to outline the scope of work. Part of this Agreement will outline the cost to complete the Feasibility Study itself. Once the Feasibility Study has been executed by both parties, and you have provided payment to Hydro One, the actual Feasibility Study will commence. Important note: the completed date for the Feasibility Study will be negotiated between you and Hydro One as part of the Feasibility Study Agreement.

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**STEP 3**

**Complete the study**

Hydro One prepares the Feasibility Study. Once the study is completed your Hydro One Account Executive will provide it to you. The finalized study will include an estimate that is accurate to within plus or minus 50% of the actual cost of your connection as it was assessed during that specific period, and will cover the connection options examined as part of your study.

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**STEP 4**

**Approve or Reject the study**

Your Hydro One Account Executive sets up a meeting with you to review the Feasibility Study. Following the meeting you are required to choose **ONE** of the following options **within 45 days** of the study’s completion date:

1) Accept the Feasibility Study;  
2) Request a new study, which would require you to start back at step 1 or 2 (above) of the process depending on connection/project details; or  
3) Withdraw your application and do not proceed any further.