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**Susan Frank**

Vice President and Chief Regulatory Officer  
Regulatory Affairs



BY COURIER

July 26, 2007

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

Dear Ms. Walli:

**EB-2007-0051 – Hydro One Networks' Section 98 Early Access Application re: Bruce – Milton Transmission Reinforcement project – Updated Exhibit A-1-1 and corrected Exhibit B-1-3**

I attach ten (10) paper copies of

- Updates (on blue paper) to parts of Exhibit A, Tab A, Schedule 1 of Hydro One's early access application (EB-2007-0051). Appendices A and C are not changed and are not attached, and
- a correction to the response to OEB staff interrogatory 3 (exhibit B-1-3).

The update to exhibit A-1-1 reflects a change in the timing of the expropriation process that Hydro One expects to follow. Previously, Hydro One had planned to begin the expropriation process in relation to the land rights for the widened transmission corridor by filing an application under section 99 of the OEB Act immediately after receiving OEB leave to construct. Now, Hydro One plans to begin the expropriation process after receiving Environmental Assessment (EA) approval. The extra time that this change provides (approximately 6 months based on the current schedule) will allow more time for consultation and negotiations with landowners in relation to property acquisition.

Although this change in timing does not have a material effect on the early access application, Hydro One is making this update so that participants to the early access proceeding can have the most current information available. An update to Hydro One's leave to construct application (EB-2007-0050) will be made in due course for this and any other material changes that have occurred since the original filing.

The update to exhibit B-1-3 corrects the inadvertent omission of the response to part (d) of the question.

Electronic copy (text searchable Acrobat format) will be sent to the Board Secretary email address and to EB-2007-0051 participants with email addresses. All EB-2007-0051 participants are being sent a paper copy of this letter and updated exhibit A-1-1. Finally, electronic copy (text searchable Acrobat format) will be posted on the Hydro One Networks external regulatory web page at –

[http://www.hydroonenetworks.com/en/regulatory/oeb\\_applications/](http://www.hydroonenetworks.com/en/regulatory/oeb_applications/)

Sincerely,

ORIGINAL SIGNED BY ODED HUBERT ON BEHALF OF SUSAN FRANK

Susan Frank

c. EB-2007-0051 Participants (paper copy by courier)

Attach.



1 the *OEB Act, Environmental Assessment Act* and *Expropriations Act*. Access prior to  
2 obtaining leave to construct is required to enable the Early Access Activities to  
3 commence in the spring of 2007, in order to meet the target in-service date for the new  
4 line of December, 2011.

5  
6 3. The Applicant's section 92 application in relation to the new line was filed on March  
7 29, 2007, under OEB docket number EB-2007-0050. That section 92 application  
8 requests leave to construct a 500 kV transmission line in Bruce, Grey, Wellington,  
9 and Dufferin counties, in the Regional Municipality of Halton, and in the  
10 municipalities of Kincardine, Brockton, Hanover, West Grey, Southgate, Wellington  
11 North, Erin, East Luther Grand Valley, East Garafraxa, Halton Hills and Milton. A  
12 map showing the general location of the proposed line is included as Attachment A.

13  
14 4. The new line is required to meet the need identified by the Ontario Power Authority  
15 (OPA) to increase the transmission transfer capability from the Bruce to the Greater  
16 Toronto Area. That need is related to an expected shortfall between transmission  
17 capability and the forecasted available generating capacity in the Bruce area. The  
18 OPA's analysis is filed in EB-2007-0050 at Exhibit B, Tab 6, Schedule 5, Appendix  
19 1.

20  
21 5. In a letter dated March 23, 2007, the OPA advised Hydro One to initiate the activities  
22 necessary to construct the new line and further indicated that it is crucial that  
23 implementation work on the line proceed as quickly as possible, in order to meet the  
24 earliest possible in-service date of December, 2011. The OPA's letter is included in  
25 EB-2007-0050 at Exhibit B, Tab 6, Schedule 5, Appendix 4. Attachment B includes  
26 a schedule of the key activities for the new line required to achieve the target in-  
27 service date, taken from Exhibit B, Tab 5, Schedule 2 of EB-2007-0050.

- 1 6. The new line will require a 53m to 61m (175 ft to 200 ft) widening of the existing  
2 transmission corridor running from the Bruce Power Complex to Hydro One's Milton  
3 Switching Station, a distance of approximately 180 kilometres. There are  
4 approximately 400 different private, public and corporate land parcels affected by the  
5 widening. Detailed maps of the affected properties are included in Exhibit B, Tab 6,  
6 Schedule 11 of EB-2007-0050. A template of the temporary access agreement to be  
7 made with landowners in the event that the rights to construct and use temporary  
8 access routes on their lands are required, is included in that application in Exhibit B,  
9 Tab 6, Schedule 10, Appendix 7, and included below as Attachment C.
- 10
- 11 7. Many of the Early Access Activities, such as archaeological and biological surveys,  
12 are needed as inputs for the Applicant's Environmental Assessment (EA) process,  
13 which will be ongoing in 2007 and 2008. If the Applicant were to wait to begin  
14 collecting EA data until after receiving leave to construct from the Board, now  
15 expected by about March 2008, the entire 2007 field data-gathering season would be  
16 lost. Furthermore, as the collection of information for the EA requires the ground to  
17 be bare, field work could not commence until later in the spring of 2008. This would  
18 lead to a delay in providing the needed inputs to the EA process and would delay EA  
19 approval to beyond or well beyond the Fall 2008 EA approval date required to allow  
20 construction of the line to begin in early 2009, so that the project's target in-service  
21 date of late Fall 2011 can be achieved. Accordingly, early access to land is required  
22 to meet the timelines for the EA approval process.
- 23
- 24 8. The Early Access Activities relating to property appraisals and legal surveys are  
25 required to facilitate negotiations with landowners and allow for the completion of  
26 land agreements. Given the number of properties involved in the widening of the  
27 corridor (approximately 400), it is expected that it may take up to 12 months to carry  
28 out the appraisals and surveys, undertake the negotiations and reach agreements with

1 landowners. In addition to their use in negotiating and finalizing agreements with  
2 landowners, the property appraisals and legal surveys will be used in the  
3 expropriation plan that Hydro One plans to file once EA approval is obtained. After  
4 being filed, the expropriation plan must be approved and registered under the OEB  
5 Act and Expropriations Act, respectively. It is expected that it may take up to 12  
6 months, including possible delays, to obtain approval, register the plans and obtain  
7 possession of the property rights. Accordingly, from negotiation to plan approval, up  
8 to 24 months are expected to be required to complete the steps leading to possession  
9 of the property rights. As possession under the Expropriation Act is not expected to  
10 be achieved under the current approvals schedule until about August 2009, with  
11 construction following one month later, this means that the legal surveys and property  
12 appraisals must begin by the late summer of 2007, at the latest, in order to meet the  
13 construction and in-service timeline for the project. Waiting to commence the Early  
14 Access Activities until the Board grants leave to construct about March 2008 would  
15 provide insufficient time to complete the property appraisals and legal surveys,  
16 undertake property negotiations, go through the approvals process and register the  
17 expropriation plan. This would put in jeopardy the construction and in-service dates  
18 for the new line.

- 19
- 20 9. The project's timelines would be even more severely affected if land access for legal  
21 surveys and property appraisals were to be delayed until after EA approval is  
22 received. Such an outcome could occur, for example, if the OEB leave decision were  
23 made conditional on EA approval and it was determined that leave was effective only  
24 when the condition was fulfilled (i.e., upon EA approval). That would mean that  
25 legal surveys and property appraisals could not begin until September 2008, when the  
26 EA approval is expected to be received, which would delay the filing and approval of  
27 the expropriation plan into 2009 or 2010, with commensurate delays to the start of  
28 construction and to the in-service date.

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10. In a letter to Hydro One dated December 22, 2006, and filed as Exhibit B, Tab 6, Schedule 5, Appendix 2 in EB-2007-0050, the OPA noted that, subject to a technical viability study, the use of series compensation as a stop-gap measure may be considered if approvals for the new line are unduly delayed. The cost of series compensation is currently estimated at approximately \$100 million (see OPA Transmission Discussion Paper #5, p. 51 filed as Exhibit B, Tab 6, Schedule 5, Appendix 5 in EB-2007-0050). Waiting to commence the Early Access Activities until the Board grants leave to construct could accordingly have a significant financial consequence for electricity ratepayers in the Province, if delays to the approvals processes were to lead to a decision by the OPA to request or to accelerate the request for installation of series compensation.

11. Prior notification will be given to affected landowners of the Early Access Activities and Hydro One will make best efforts to schedule the Early Access Activities to minimize interference with farm operations. Hydro One will also repair at its expense any damage caused to landowners' infrastructure or property, including crop damage, as a result of the Early Access Activities. This is in accordance with subsection 98(2) of the *Act*, under which landowners are to be compensated for damages.

12. For the reasons advanced above, Hydro One submits that is in the public interest for the requested Interim Order for access to land to be granted and respectfully requests the Board to do so.

13. Hydro One requests a written hearing for this proceeding.

1 1. Hydro One requests that a copy of all documents filed with the Board be served on the  
2 Applicant and the Applicant's counsel, as follows:

3

4 a) The Applicant:

5

6 Mr. Glen MacDonald  
7 Senior Advisor - Regulatory Research and Administration  
8 Hydro One Networks Inc.

9

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11 483 Bay Street  
12 Toronto, Ontario M5G 2P5  
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14 Fax: (416) 345-5866  
15 Electronic access: [glen.e.macdonald@HydroOne.com](mailto:glen.e.macdonald@HydroOne.com)

16

17 b) The Applicant's counsel:

18

19 Mr. James H. Smellie  
20 Osler, Hoskin and Harcourt LLP

21

22 Mailing Address: Suite 2500, TransCanada Tower  
23 450 First Street S.W.  
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26 Telephone: (403) 260-7013  
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**ATTACHMENT A**  
Map of Proposed 500 kv Line

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**ATTACHMENT B**  
**Schedule of Key Activities**  
**Bruce to Milton 500 kV line project**

<b>TASK</b>	<b>START</b>	<b>FINISH</b>
Submit Section 92 Application to OEB		March 2007
Submit Section 98 Early Access Application to OEB		March 2007
Obtain Section 92 Approval from OEB		March 2008
Obtain EA Approval		September 2008
Submit Section 99 Expropriation Application to OEB		October 2008
Obtain Expropriation Approval from OEB		April 2009
Register Plans under Expropriation Act		May 2009
Obtain Access to Property under Expropriation Act		August 2009
Line Construction	January 2009*	December 2011
Project In-Service		December 2011

5 \* Construction on publicly owned land to start in October 2008, after EA and OEB  
6 approvals are received. Construction on private land to start in January 2009, assuming  
7 voluntary early possession obtained on a sufficient number of properties prior to  
8 conclusion of expropriation proceedings. Where voluntary early possession is not  
9 obtained, construction to start on private land in September 2009.

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**ATTACHMENT C**  
**Agreement**  
**Testing and Associated Access Routes**

1 **Ontario Energy Board (Board Staff) INTERROGATORY #3List 1**

2  
3 **Interrogatory**

4  
5 **Ref. Exh. A/T 1/S 1/p3-4/par 8 (as related to Issue No. 2 of the Board approved Issues List)**

- 6  
7 a. What is the current status and plan of Hydro One's communications with affected  
8 landowners regarding the access activities?  
9  
10 b. What are the next steps and plans for Hydro One's communications with affected  
11 landowners regarding the access activities?  
12  
13 c. Please provide a summary of any records of communications to date.  
14  
15 d. Please describe Hydro One's planned landowner complaint tracking protocol including  
16 how Hydro One will act on any complaints.  
17

18 **Response**

- 19  
20 a. Hydro One's plan is to provide sufficient advance notice to affected property  
21 owners via telephone or written communications prior to accessing their  
22 properties. Hydro One is supportive of Staff's proposal (contained in Condition  
23 1) that notice be provided a minimum of 48 hours prior to entry, with the minor  
24 exception that Hydro One suggests notice should be written or oral, rather than  
25 both written and oral as Staff proposes. Please see Hydro One's response to  
26 Board Staff IR # 5.  
27

28 As part of Hydro One's overall project communication plan, various channels  
29 have been established to provide Early Access information to affected landowners  
30 along with other project information. This includes: personal letters (March and  
31 April); newsletters (March and July); newspaper ads (April); Public Information  
32 Centres (April and May); an established toll-free project hotline (1-877-345-  
33 6799); and a project website: [www.HydroOneNetworks.com/BrucetoMilton](http://www.HydroOneNetworks.com/BrucetoMilton) that  
34 is updated on a regular basis.  
35

- 36 b. As Hydro One awaits the Board ruling on its early access application, it has  
37 directed its Property Agents to initiate individual contact with affected property  
38 owners (with the exception of those landowners belonging to the Powerline  
39 group, whose counsel has forbidden any direct contacts by Hydro One with  
40 property owners who are members of Powerline) to explain the Early Access  
41 activities and proposed schedule for entry onto the properties. This process has  
42 involved both telephone calls and face-to-face meetings. If the Board approves the  
43 Early Access application on acceptable terms and conditions, Hydro One will

1 notify all affected property owners in writing of the decision and of Hydro One's  
2 plans and practice for entering properties.

3

4 c. Hydro One's Communication record with landowners to date includes:

5

6 ❖ Week of March 26, 2007 – Project Announcement Letter and Bruce to  
7 Milton Connections Newsletter #1 (delivered via Canada Post Express  
8 Mail)

9 ❖ Toll Free Project Hotline established early March 2007

10 ❖ Telephone contact and email communication with property owners and  
11 Hydro One staff (ongoing)

12 ❖ Project Website launched March 26, 2007

13 ❖ Notice of Commencement of Environmental Assessment for the Bruce to  
14 Milton Transmission Reinforcement Project was included with the OEB  
15 Notice Package (Week of April 16, 2007)

16 ❖ Public Information Centres held in seven study area communities (April  
17 30 – May 9, 2007)

18 ❖ Early Access Application Update mailed (May 3, 2007)

19 ❖ Full page newspaper ads in 16 local newspapers (April 19 – 26, 2007)

20 ❖ *Bruce to Milton Connections* Newsletter #1 delivered via Canada Post  
21 Admail to all homes within 500 metres of widened Bruce to Milton  
22 corridor (week of April 16, 2007).

23 ❖ Property Agent contact (telephone and face-to-face meetings) with  
24 affected property owners initiated in July and to continue through out  
25 project duration

26 ❖ *Bruce to Milton Connections Newsletter #2* mailed to affected property  
27 owners (July 13, 2007)

28 ❖ Website updates at key project milestones

29 ❖ Newspaper ad in local papers end of July 2007 to provide general project  
30 update

31 ❖ Notice of Submission of EA Terms of Reference to the Ministry of the  
32 Environment to be placed in local newspapers starting in early August  
33 2007

34 ❖ Regular letters and newsletter at key project milestones mailed to property  
35 owners and other key stakeholders

36

37 d. The property agent will be the single point of contact for landowner complaints.  
38 Complaints will be tracked in a central database. The property agent will be  
39 responsible for initial resolution with an escalation procedure in place for  
40 unresolved issues.

41