

## **OEB grants Hydro One approval to refurbish an electricity transmission line near Kirkland Lake**

Today, the Ontario Energy Board (OEB) issued its Decision and Order granting Hydro One Networks Inc.'s (Hydro One) application for leave to refurbish an existing single-circuit electricity transmission line between Kirkland Lake Transformer Station and Matachewan Junction in the municipality of Kirkland Lake in northeast Ontario (the Project).

The OEB determined that the Project is in the public interest based on an examination of its impact on the interests of consumers with respect to prices and the reliability and quality of electricity service. As part of its review of a project's impact on prices, the OEB typically considers the need for and alternatives to the proposed project. The OEB granted Hydro One's application subject to the OEB's standard conditions of approval for leave to construct applications.

### **ABOUT THE PROJECT**

The Project will replace a section of an existing 115 kilovolt single-circuit line that primarily supplies electricity to mining operations in the Kirkland Lake area and which runs between Kirkland Lake Transformer Station and Matachewan Junction.

The section of the line proposed for refurbishment consists of a wood pole line, approximately 10 km in length, which is around 100 years old and in poor condition. The section of line was identified in an Independent Electricity System Operator study as having reached end of life and requiring refurbishment. The estimated capital cost of the Project is \$13.9 million, including \$12.9 million for line work and \$1.0 million for removal costs. Hydro One stated that the cost for the Project will be recovered through the line connection pool. Hydro One also stated that the Project is not expected to have a material impact on the line connection revenue requirement and is therefore also expected to have no impact on the rates of a typical residential customer.

### **KEY FINDINGS**

The OEB found that Hydro One has established the need for the Project. The OEB was also satisfied that Hydro One examined alternatives appropriately and that the Project is the most reasonable alternative.

The OEB found that Hydro One followed a reasonable process for developing its Project cost estimate and accepted the total estimated cost of \$13.9 million as reasonable.

The OEB also accepted that the Project is required to mitigate safety and reliability risks associated with operating deteriorated and obsolete assets.

## **About the OEB**

The OEB is the independent regulator of Ontario's electricity and natural gas sectors. It protects the interests of consumers and supports the collective advancement of the people of Ontario. Its goal is to deliver public value through prudent regulation and independent adjudicative decision-making which contributes to Ontario's economic, social and environmental development.

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*Ce document est aussi disponible en français.*

*This Backgrounder was prepared by OEB staff to inform Ontario's energy consumers about the OEB's decision and is not for use in legal or regulatory proceedings. It is not part of the OEB's reasons for decision; those may be found in the Decision and Order issued today, which is the official OEB document.*