



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

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# **DECISION AND ORDER**

**EB-2022-0142**

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

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

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**April 6, 2022**

## 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<sup>1</sup> of Hydro One Networks Inc. (Hydro One) to include a requirement that it proceed to develop and seek all necessary approvals for four new transmission projects in Southwestern Ontario. Two of those projects have been declared to be needed as priority projects by Order in Council 876/2022 dated March 31, 2022.

## 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.

On April 4, 2022, the OEB received a Directive under section 28.6.1 of the Act (Directive) under cover of a letter from the Minister. The Directive was approved by the Lieutenant Governor in Council on March 31, 2022 as Order in Council No. 875/2022. The Directive requires the OEB to amend Hydro One's electricity transmission licence to require Hydro One to develop and seek approvals for the following four transmission line projects (collectively referred to as the Projects):

1. A new 230 kilovolt (kV) transmission line from Lambton Transformer Station to Chatham Switching Station, including associated station facility expansions or upgrades required at the terminal stations;
2. A new 500 kV transmission line from Longwood Transformer Station to Lakeshore Transformer Station, including associated station facility expansions or upgrades required at the terminal stations;
3. A second new 500 kV transmission line from Longwood Transformer Station to Lakeshore Transformer Station, including associated station facility expansions or upgrades required at the terminal stations; and
4. A new 230 kV transmission line that connect the Windsor area to the Lakeshore Transformer Station, including associated station facility expansions or upgrades required at the terminal stations.

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<sup>1</sup> ET-2003-0035

The Directive also requires that the OEB amend Hydro One's licence to include a condition that the scope and timing for the Projects accord with the recommendations of the Independent Electricity System Operator (IESO), and further 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 Projects.

The Order in Council accompanying the Directive states that expansion of Ontario's transmission system is critical to provide a reliable and adequate supply of electricity to Southwestern Ontario to support economic growth in the region, including the rapidly growing agricultural sector and the potential for growth in the electric vehicle and broader automotive sectors.

Two of the Projects listed in the Directive (numbers 1 and 2 above) have been declared to be needed as priority projects pursuant to section 96.1 of the Act in Order in Council 876/2022 dated March 31, 2022. A third project that is also declared to be needed as a priority project - a new 230 kV electricity transmission line from the existing Chatham Switching Station to the new Lakeshore Transformer Station – was the subject of a previous Directive issued to the OEB on December 17, 2020 and the OEB amended Hydro One's transmission licence in respect of that project by Decision and Order dated December 23, 2020.

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.

## **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 four Projects set out in the Directive and listed above, and to develop the Projects in accordance with the project scope and timing recommended by the IESO.

With respect to reporting requirements, as an initial step the OEB is requiring Hydro One to file a copy of any recommendations received from the IESO related to the scope and timing of the development of each of the Projects. Further 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, including budget 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 conditions:

19.8.1 The Licensee shall develop and seek approvals for the following four transmission line projects:

- a) A new 230 kilovolt (kV) transmission line from Lambton Transformer Station to Chatham Switching Station, including associated station facility expansions or upgrades required at the terminal stations;
- b) A new 500 kV transmission line from Longwood Transformer Station to Lakeshore Transformer Station, including associated station facility expansions or upgrades required at the terminal stations;
- c) A second new 500 kV transmission line from Longwood Transformer Station to Lakeshore Transformer Station, including associated station facility expansions or upgrades required at the terminal stations; and
- d) A new 230 kV transmission line that connect the Windsor area to the Lakeshore Transformer Station, including associated station facility expansions or upgrades required at the terminal stations.

19.8.2 Development of the projects set out in condition 19.8.1 shall accord with the project scope and timing recommended by the Independent Electricity System Operator.

2. Hydro One shall, no later than April 27, 2022, file with the OEB a copy of any recommendations received from the Independent Electricity System Operator related to the scope and timing of the development of each of the Projects identified in paragraph 1 above.

**DATED** at Toronto, April 6, 2022

**ONTARIO ENERGY BOARD**

*Original Signed By*

Brian Hewson  
Vice President, Consumer Protection & Industry Performance