

Service Area Amendment (SAA) Application

FESTIVAL HYDRO INC.
Distribution Licence ED-2002-0513

Submitted August 6, 2024

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APPLICATION

1. INTRODUCTION

Festival Hydro Inc. (“FHI”) is making an Application to the Ontario Energy Board (“OEB”) for the purpose of amending the licenced service area of FHI as described in Schedule 1 of its distribution Licence ED-2002-0513 to include the full development known as Avon Park - 3025 Ontario Street, with the legal description Parts of Lot 41 and 42, Concession 1, City of Stratford, County of Perth, (the “Subject Area”).

The Subject Area is currently partially within the service territory of Hydro One Networks Inc. (“Hydro One”), and partially within FHI’s service area. The Subject Area will be developed by Cachet Developments (Stratford). (“Developer”), located in the City of Mississauga, and is designated for residential and mixed use development.

The Subject Area is generally described as Avon Park – 3025 Ontario Street, in the City of Stratford.

For the reasons set out herein, FHI respectfully submits that it is in the public interest to amend Schedule 1 of its electricity distribution license to add line 22:

22. Part of Lot 41, Concession 1, City of Stratford, County of Perth. Developed as Avon Park – 3025 Ontario Street.

In considering this application, FHI understands that the Board will be guided by the principles articulated in the Board's Filing Requirements for Service Area Amendments, Chapter 7 of the Filing Requirements for Transmission and Distribution Application and the Board's Decision with Reasons in the RP-2003-0044 combined Service Area Amendments proceeding (the “Combined Proceeding”). FHI respectfully submits that this application satisfies those requirements.

Via a letter of support (included as Schedule F), the Developer has indicated that it prefers FHI as the distributor for the Subject Area.

Hydro One has agreed to consent to this SAA application (consent letter included as Schedule E) and the required expansion of FHI’s service territory to service the Subject Area. Given the manner in which Schedule 1 of Hydro One’s license is presented, it would not need to be amended if this SAA application is approved.

FHI requests that the Board consider this application without a hearing.

2. GENERAL

(a) Contact Information:

The contact information for all affected parties is listed below.

Applicant:

Jeff Graham, CEO
Festival Hydro Inc.
187 Erie Street, PO Box 397
Stratford, ON N5A 6T5
Telephone: 519-271-4700 Fax: 519-271-7204
grahamj@Festivalhydro.com

The Incumbent Distributor:

Mark Ciufu, Regulatory Analyst, Regulatory Affairs
Hydro One Networks Inc.
483 Bay Street, South Tower, 7th floor
Toronto, Ontario M5G 2P5
Telephone: 416-345-5405 Fax: 416-345-5866
regulatory@HydroOne.com

(There are no other alternate distributors.)

The Registered Developer:

Marcus Gagliardi
Cachet Developments
2555 Meadowpine Blvd, Unit 3
Mississauga, ON L5N 6C3
Tel: 647-283-1405

(b) Reasons for Amendment:

FHI submits that this application should be granted because the incumbent distributor, Hydro One, has consented to this application. Moreover, FHI submits that the proposed SAA is in the public interest as defined in the Combined Proceeding (RP-2003-0044), for the following reasons:

1. The Developer's preference is that FHI service the Subject Area.
2. The proposed SAA is consistent with the objective of a rational and efficient service area alignment based on both economic and engineering efficiency.
3. The Subject Area is the continuation of development in the east end of Stratford. The existing electrical infrastructure owned by FHI can accommodate the anticipated load using an existing circuit along Douro St.
4. FHI has infrastructure that lies along the Subject Area that can provide the required electrical service with minimal investment. The incumbent distributor (Hydro One) has infrastructure in relatively close proximity to the property, but following discussions between the two distributors, the parties concluded that Hydro One's scope of work to connect the development, and the corresponding costs to service the property are greater than FHI's cost and Hydro One agreed to consent to this SAA application.
5. FHI's connection proposal for the Subject Area is better or comparable to Hydro One's in terms of system planning, safety and service reliability.
6. The proposed SAA will not result in stranded or duplicated assets.
7. The incorporation of the Subject Area Lands into FHI's service area will be seamless. The Subject Area Lands will be adjacent to FHI's existing service territory.

There would be no load transfers created or eliminated as a result of the proposed SAA.

(c) Proposed Service Area - Description:

The Subject Area is generally referred to as Avon Park – 3025 Ontario Street and will be developed into a residential subdivision consisting of 310 residential lots, 1 mixed use block, and 1 industrial block on land that is currently vacant.

(d) Proposed Service Area – Maps and Diagrams:

The following maps and diagrams are attached as schedules.

Schedule A – Draft Plan of Subdivision (Subject Area)

Schedule B – FHI Existing and Proposed Service Boundary (Overview and Detail)

Schedule C – Existing Infrastructure (FHI and Hydro One)

Schedule D – Proposed FHI Infrastructure

Collectively, these schedules identify the Subject Area, the existing borders of FHI and Hydro One, the area around the Subject Area, and the existing and proposed infrastructure supplying the Subject Area. Some details (such as the exact locations of lot lines and easements) are subject to change as the development proceeds.

(e) Distribution Infrastructure – Description of Proposed Physical Connection:

The Subject Area is zoned urban reserve. The Developer has requested a connection by December 2024.

The Subject Area will be supplied by installing a new underground circuit (16.0/27.6 kV) from the existing overhead infrastructure on Douro Street (16.0/27.6 kV), owned by FHI. The existing and proposed infrastructure are shown in Schedule C and D.

Distribution Infrastructure – Future Expansions in Adjacent Lands:

FHI does not currently have any plans for expansion in the lands adjacent to the Subject Area. However, FHI's existing assets can meet reasonably expected future growth in a cost effective manner.

3. EFFICIENT RATIONALIZATION OF THE DISTRIBUTION SYSTEM

FHI submits that the proposed SAA will result in a rational and efficient service area and optimize the use of existing distribution assets.

(a) Location of the Points of Delivery and Connection:

Schedule C shows how the existing infrastructure (16.0/27.6 kV overhead circuit - owned by FHI) and Schedule D shows the new infrastructure (new 16.0/27.6 kV underground circuit – owned by FHI) will be used to supply the Subject Area.

(b) Proximity to Distribution System:

FHI has existing assets immediately adjacent to and alongside the Subject Area.

(c) Fully Allocated Connection Costs:

Connection costs were not specifically reviewed for this project. Based on a high-level review by Hydro One, consent was provided that FHI could provide a more economical service connection.

(d) Stranded Equipment Costs:

There will be no stranded equipment due to the proposed SAA.

(e) Infrastructure Reliability:

The proposed SAA will not have any adverse effects on reliability in the Subject Area or adjacent areas. There will be a short expansion of FHI's distribution system (underground conductors and transformers in the Subject Area).

(f) Cost-Effectiveness of Future Expansions:

FHI has assets that lie along the property that can meet reasonably expected future growth in a cost-efficient manner.

(g) Cost-Effectiveness of Improvements and Upgrades:

The infrastructure proposed by FHI will support cost-effective future improvements and upgrades in the area.

4. IMPACTS ARISING FROM THE PROPOSED AMENDMENT

(a) Description of Impacts – Affected Customers and Landowners:

The Subject Area is vacant land owned by the Developer. The Developer supports the proposed amendment. There are no other customers affected.

(b) Description of Impacts – Customer Impacts Within Subject Area:

Approval of this SAA application will not result in any negative impacts on cost, rates, service quality, and reliability. The additional customers will have a marginally favourable impact on costs and rates due to the additional revenue.

(c) Description of Impacts – Customer Impacts Outside Subject Area:

Approval of this SAA application will not result in any negative impacts on cost, rates, service quality, and reliability. The additional customers will have a marginally favourable impact on costs and rates due to the additional revenue.

(d) Description of Impacts – Distributor Impacts:

Approval of this SAA application is not expected to have any impact on Hydro One. The additional revenue from the new customers will have a favourable impact on costs and rates for FHI, without any adverse impacts to reliability or customer service.

(e) Description of Impacts – Stranded and Redundant Assets:

No assets will be stranded or made redundant as a result of this SAA.

(f) Description of Impacts – Transferred Assets:

No assets will be transferred as a result of this SAA.

(g) Description of Impacts – Transferred Customers:

No customers will be transferred as a result of this SAA.

(h) Description of Impacts – Eliminated Load Transfers or Retail Points:

No existing load transfers or retail points of supply will be eliminated by this SAA.

(i) Description of Impacts – New Load Transfers or Retail Points:

No new load transfers or retail points of supply will be created by this SAA.

(j) Evidence of Consideration and Mitigation of Impacts – Written Confirmation of Full Disclosure:

FHI confirms that all affected parties have been provided with specific and factual information about the proposed SAA. FHI and Hydro One have reviewed this SAA.

(k) Evidence of Consideration and Mitigation of Impacts – Consent of Incumbent Distributor:

Hydro One has consented to this SAA, and a copy of the letter of consent is attached as Schedule E.

(l) Evidence of Consideration and Mitigation of Impacts – Consent of Developer:

The Developer has provided their consent via a letter of support attached as Schedule F.

(m) Evidence of Consideration and Mitigation of Impacts – Mitigation Efforts Related to Customer and Asset Transfer:

No customers or assets will be transferred as a result of this SAA.

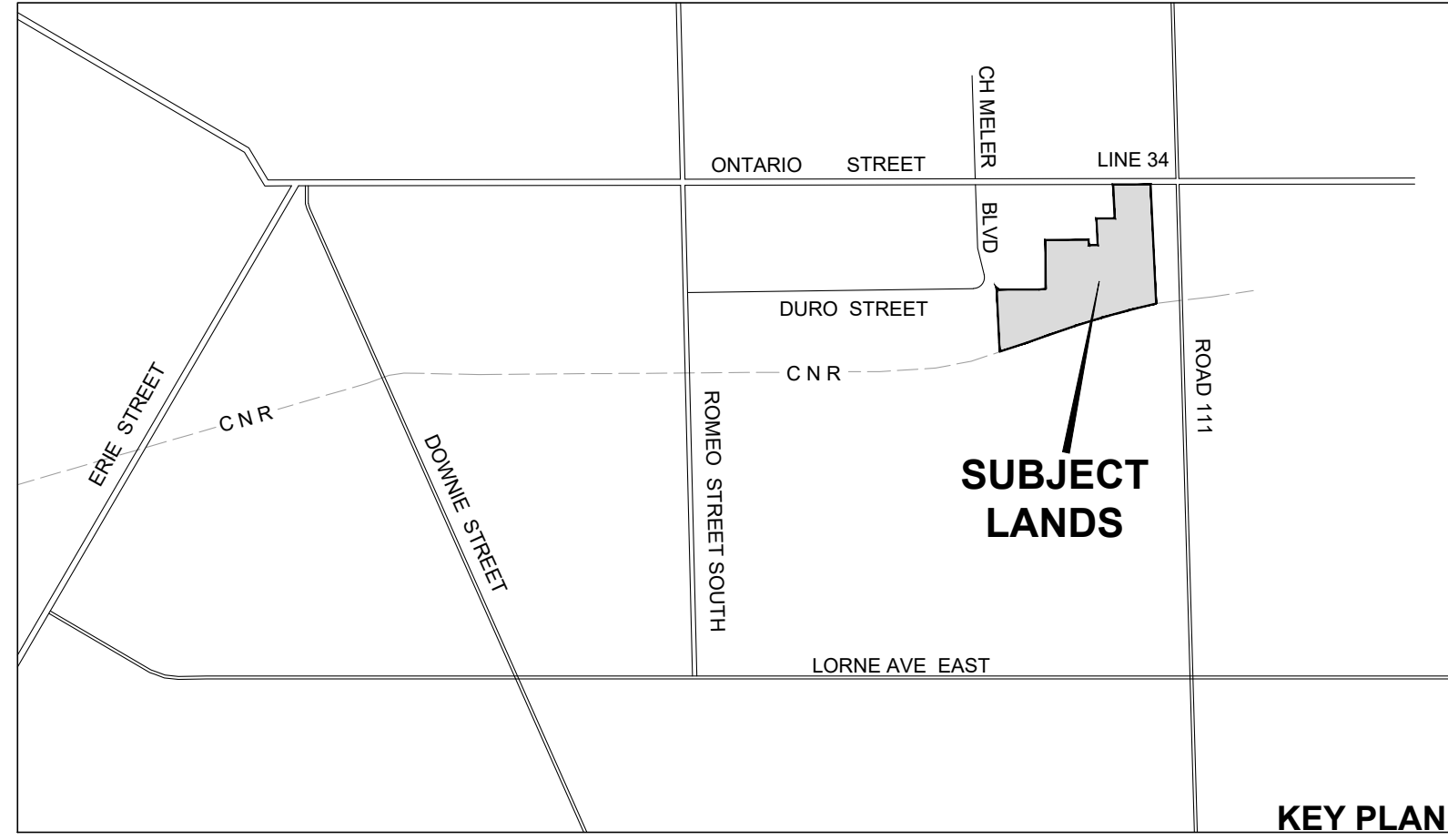
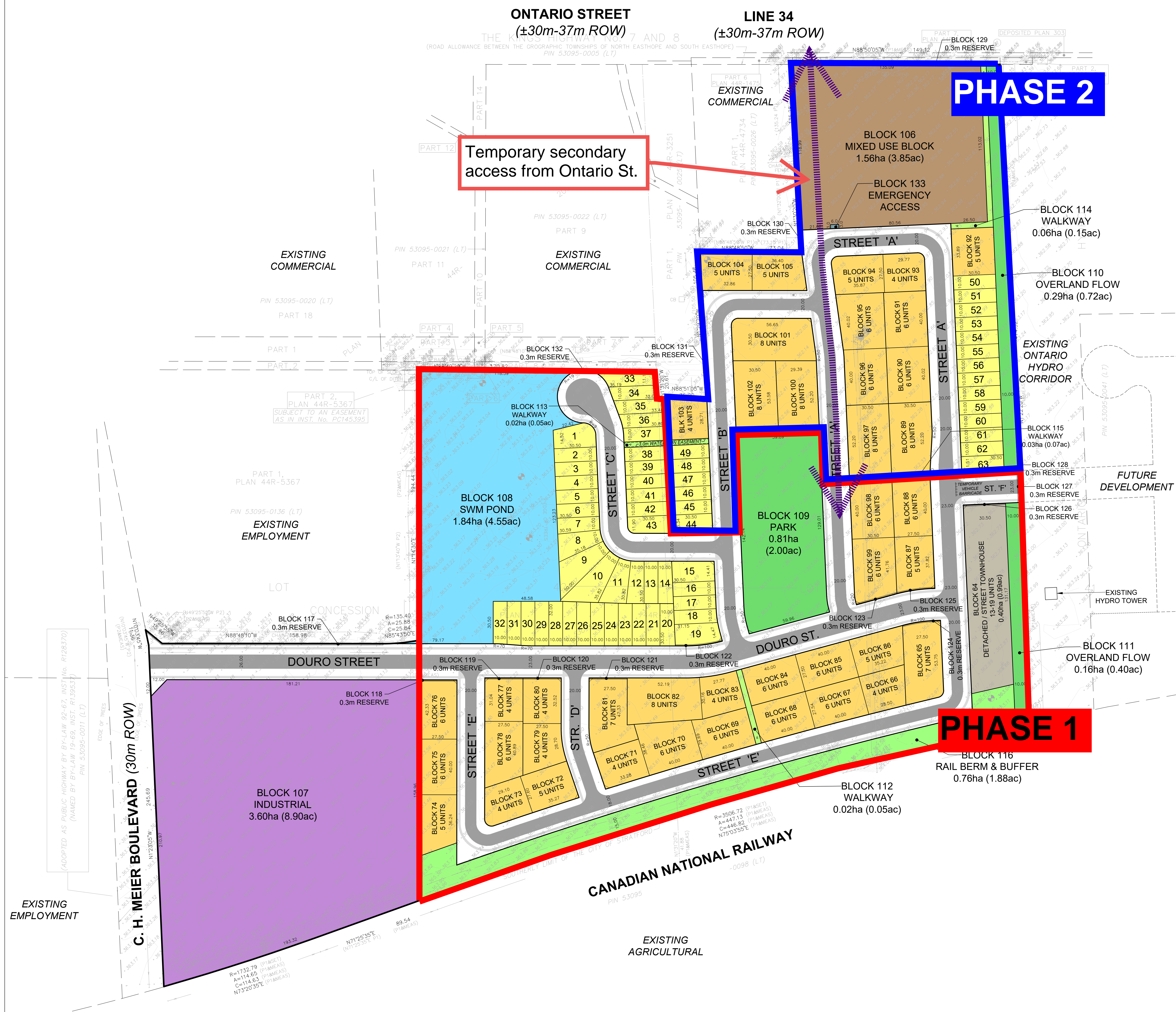
5. CUSTOMER PREFERENCE

The Developer has indicated their preference to have FHI supply this Development, as noted in their letter of support attached as Schedule F.

All of which is respectfully submitted.

SCHEDULE A
DRAFT PLAN OF SURVEY
(SUBJECT AREA)


See attached



DRAFT PLAN OF SUBDIVISION
FILE # 31T21-001
CACHET DEVELOPMENTS (STRATFORD) INC.

CONCESSION 1
 PART LOTS 41 & 42
 RP 44R-4198 PART 1, PT PART3
 (GEOGRAPHIC TOWNSHIP OF EASTHOPE)
 CITY OF STRATFORD
 COUNTY OF PERTH

OWNERS CERTIFICATE
 I HEREBY AUTHORIZE GLEN SCHNARR & ASSOCIATES INC. TO PREPARE AND SUBMIT THIS DRAFT PLAN OF SUBDIVISION TO THE CITY OF STRATFORD FOR APPROVAL.

SIGNED:  DATE: MARCH 27, 2023
 RAMSEY SHAHEEN, A.S.O.
 CACHET DEVELOPMENTS (STRATFORD) INC.

SURVEYORS CERTIFICATE
 I HEREBY CERTIFY THAT THE BOUNDARIES OF THE LANDS TO BE SUBDIVIDED AS SHOWN ON THIS PLAN AND THEIR RELATIONSHIP TO ADJACENT LANDS ARE CORRECTLY AND ACCURATELY SHOWN.

SIGNED:  DATE: MARCH 27, 2023
 J. R. ELLIOTT, O.L.S.
 J.D. BARNES LIMITED SURVEYING

ADDITIONAL INFORMATION
 (UNDER SECTION 51(17) OF THE PLANNING ACT) INFORMATION REQUIRED BY CLAUSES A, B, C, D, E, F, G, J & L ARE SHOWN ON THE DRAFT AND KEY PLANS.

- H) MUNICIPAL AND PIPED WATER TO BE PROVIDED
- I) SANDY LOAM AND CLAY LOAM
- K) SANITARY AND STORM SEWERS TO BE PROVIDED

LAND USE SCHEDULE

LAND USE	LOTS / BLOCKS	AREA (ha)	AREA (ac)	UNITS	DENSITY (upha)
10.0m (33') DETACHED	1-63	2.14	5.29	63	29.4
DETACHED / TOWNHOUSES	64	0.40	0.99	13-19	32.5-47.5
6.1m (20') STREET TOWNHOUSE	65-105	4.79	11.84	234	48.9
MIXED USE BLOCK	106	1.56	3.85		
INDUSTRIAL	107	3.60	8.90		
SWM POND	108	1.84	4.55		
PARK	109	0.81	2.00		
OVERLAND FLOW	110,111	0.45	1.11		
WALKWAY	112-115	0.13	0.32		
RAIL BERM & BUFFER	116	0.76	1.88		
0.3m RESERVE	117-132	0.02	0.05		
EMERGENCY ACCESS	133	0.00	0.00		
26m ROW (LENGTH: 242m)		0.64	1.58		
23m ROW (LENGTH: 472m)		1.09	2.69		
20m ROW (LENGTH: 1,504m)		2.71	6.70		
18m ROW (LENGTH: 325m)		0.59	1.46		
TOTAL	133	21.53	53.20	310-316	42.3-43.1



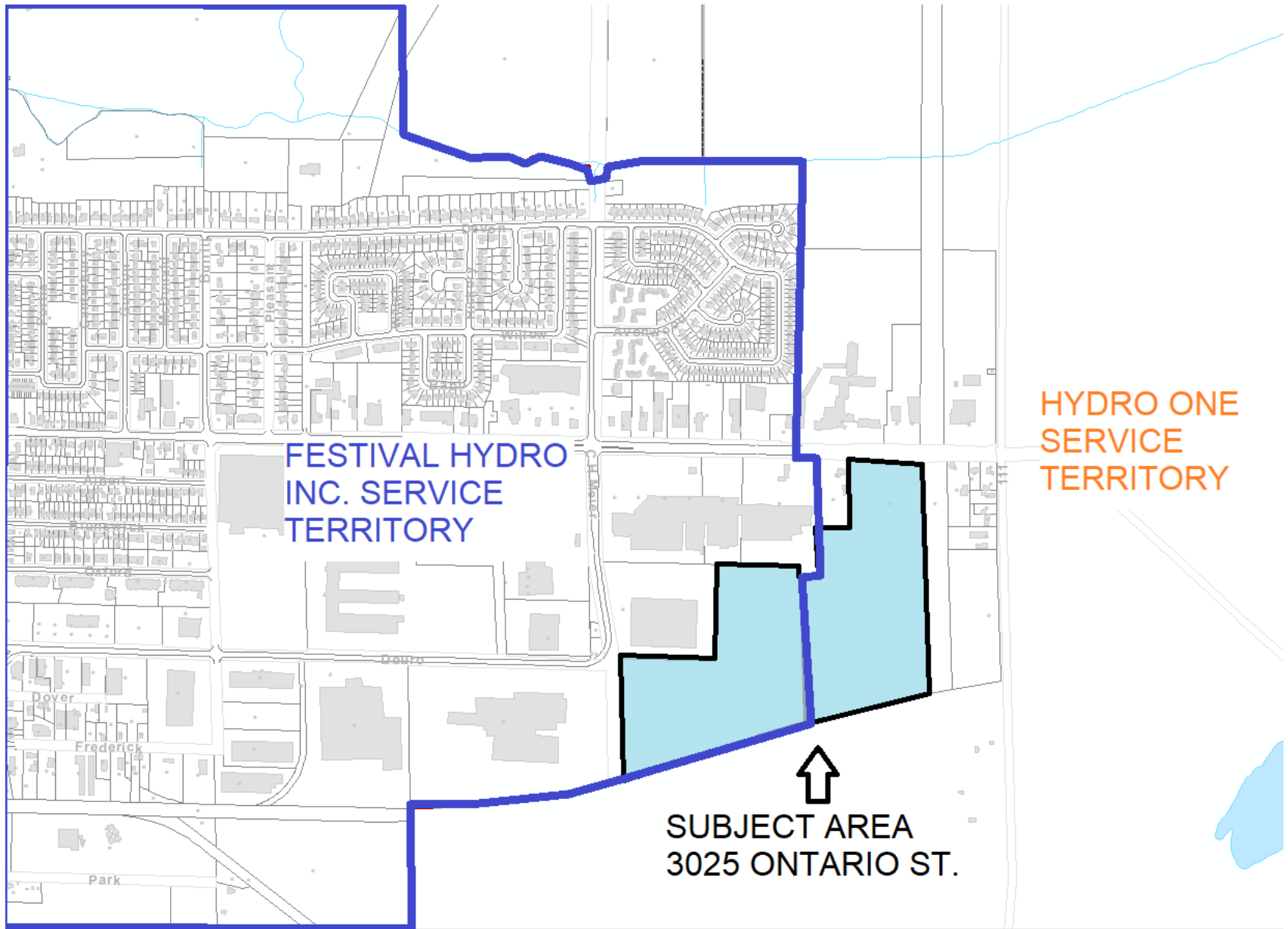
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 MARCH 27, 2023



SCHEDULE B

FHI EXISTING AND PROPOSED SERVICE BOUNDARY

See attached



FESTIVAL HYDRO
INC. SERVICE
TERRITORY

HYDRO ONE
SERVICE
TERRITORY

↑
SUBJECT AREA
3025 ONTARIO ST.

SCHEDULE C

EXISTING INFRASTRUCTURE (FHI AND HYDRO ONE)

See attached



**FESTIVAL HYDRO
INC. SERVICE
TERRITORY**

**EXISTING HYDRO
ONE CIRCUIT**

**EXISTING FESTIVAL
HYDRO 16.0/27.6KV
CIRCUIT**

**SUBJECT AREA
3025 ONTARIO ST.**

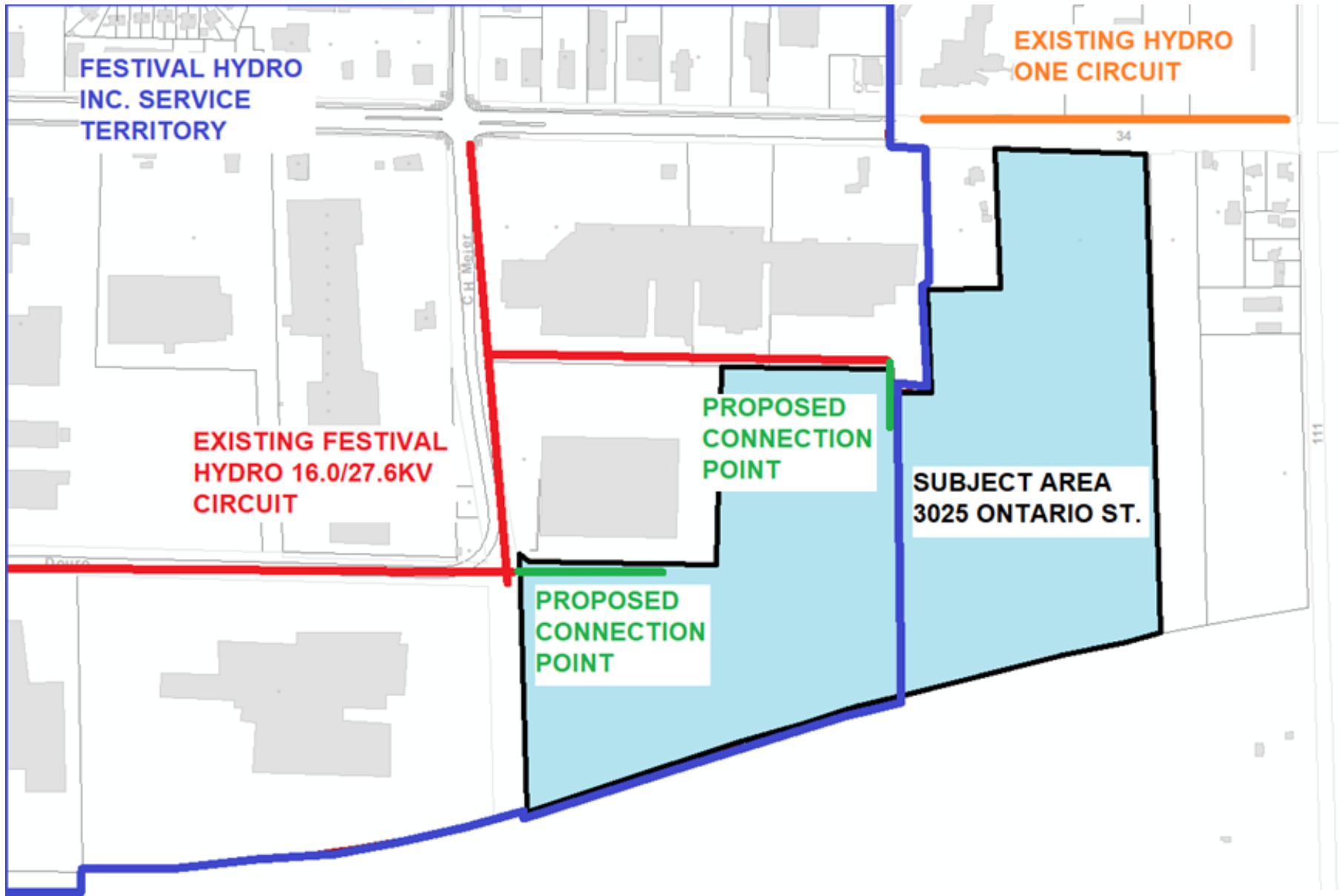
C.H. Meier

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SCHEDULE D
PROPOSED FHI INFRASTRUCTURE

See attached



SCHEDULE E

HYDRO ONE CONSENT LETTER

See attached



Hydro One Networks Inc.

483 Bay Street
7th Floor South Tower
Toronto, Ontario M5G 2P5
HydroOne.com

Joanne Richardson

Director, Major Projects, and
Partnerships

C 416.902.4326

Joanne.Richardson@HydroOne.com

BY EMAIL AND RESS

August 2, 2024

Jeff Graham, CEO
Festival Hydro Inc.
187 Erie Street, PO Box 397
Stratford, ON N5A 6T5

Dear Mr. Graham,

RE: Festival Hydro Application for Service Area Amendment – Hydro One Networks Inc. Consent Letter

This is to confirm that Hydro One Networks Inc. (“Hydro One”) supports your application to amend Festival Hydro (FHI) Distribution Licence as proposed in FHI service area amendment (“SAA”) application for Avon Park - 3025 Ontario Street, with the legal description Parts of Lot 41 and 42, Concession 1, City of Stratford, County of Perth.

The intent of the application is to amend FHI’s distribution licence to include the property legally described as follows in the SAA application:

Part of Lot 41, Concession 1, City of Stratford, County of Perth. Developed as Avon Park - 3025 Ontario Street.

Should you have any questions on this application, please contact Mark Ciufu at (416) 345-5905 or via email at Mark.Ciufu@HydroOne.com.

An electronic copy has been submitted using the Board’s Regulatory Electronic Submission System.

Sincerely,

Joanne Richardson

CC – Abdul Hussaini, Hydro One Networks Inc.

SCHEDULE F
DEVELOPER SUPPORT LETTER

See attached



2555 Meadowpine Blvd, Suite 3
Mississauga, ON
L5N6C3

June 3, 2024

Via email:

Festival Hydro Inc.
187 Erie Street, PO Box 397
Stratford, ON N5A 6T5
Attention: Mr. Bryon Hartung, P.Eng., Vice President Engineering & Operations

RE: Service Area Amendment – 3025 Ontario Street, Stratford

Dear Bryon:

As previously discussed, Cachet Developments (Stratford) Inc. would like to confirm our preference that Festival Hydro be the local distribution company (LDC) that supplies this development located at our site at 3025 Ontario Street in Stratford. We understand that Festival Hydro will need to make an application to the Ontario Energy Board to amend the Service Area description to include this development within Festival Hydro's Service Area.

The legal description of the development is:

03025 – Line 34; South Easthope CON 1 PT LOTS 41 and 42 RPR4198 PART 1 & PART 3

Please consider this letter as our intent to have Festival Hydro as our service provider, and this letter may be included with your application to the OEB and shared with Hydro One.

If you require anything related to this development, please contact the undersigned.

Sincerely,

A handwritten signature in black ink, appearing to read "Marcus Gagliardi".

Marcus Gagliardi
Senior Land Development Manager
Cachet Homes [Cachet Developments (Stratford) Inc.]
Cell: 647-283-1405
Email: marcus@cachethomes.com