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April 5, 2004

Dennis Kelly
Clerk's Department
Regional Municipality of York
17250 Yonge Street,
Newmarket, Ontario, L3Y 6Z1

Re: Hydro One Transmission Line Project in York Region

Hydro One is initiating a planning and stakeholder consultation process regarding a proposed transmission line project in York Region. The project would see the construction of a new transmission line on an existing transmission corridor, extending from Hydro One's Parkway transformer station (TS) in Markham to Hydro One's Armitage TS in Newmarket. The new line will replace an existing line on the transmission corridor.

The new transmission line is required to ensure the reliable delivery of electricity to customers in York Region. The new line will also allow the York Region electric utilities to expand their electricity distribution systems to keep pace with continuing economic growth. The need for the project has been confirmed by the Independent Electricity Market Operator, and by the York Region utilities and Hydro One in a joint planning study completed last year.

The proposed transmission line and the alternatives that were considered will be the subject of an environmental assessment. The project also requires Ontario Energy Board approval. Through these review and approval processes, Hydro One plans to host a series of public information centers to obtain stakeholder input on the project, and to address any identified project effects through subsequent project planning activities. I and other Hydro One staff are currently meeting with Regional and municipal staff in the Region regarding the project. We would be willing to brief the Regional Council on this critical infrastructure project, should you determine a need for a briefing.

Additional information describing the project can be found in the attached briefing note. If you have any questions about the project, please give me a call.

Sincerely,

Gary Schneider

Hydro One Transmission Line Project from Parkway TS in Markham to Armitage TS in Newmarket

Summary

- Existing transmission facilities delivering electricity to northern York Region are expected to reach capacity by the winter of 2005/6. Hydro One proposes to address this need through the construction of a 24 km transmission line on an existing transmission corridor from Parkway transformer station (TS) in Markham to Armitage TS in Newmarket. The proposed transmission line will replace an existing line on the corridor.
- The proposed transmission line will extend through the municipalities of Markham, Whitchurch-Stouffville, Richmond Hill, Aurora and Newmarket, and will allow the York Region electric utilities to expand their distribution systems to keep pace with continuing economic growth.

Background

- Transmission of electricity to the northern York Region communities of Aurora, Newmarket and the surrounding rural area is currently provided by an existing transmission line from Claireville TS in Woodbridge to Armitage TS in Newmarket.
- From Armitage TS, electricity is distributed to various stations owned by Aurora Hydro, Newmarket Hydro and Hydro One, where it is stepped down to lower voltages and distributed to customers (homes, businesses, farms, etc.).

Transmission Need

- *Increased Transmission Capacity* – Current load forecasts indicate that the capacity of the existing transmission line supplying electricity to northern York Region will be exceeded by the winter of 2005/06. This means that if a transmission outage occurs during the winter peak period, the other area transmission facilities may be unable to reliably supply the customers in northern York Region, which could result in power interruptions.
- While operational measures such as load transfers to other transmission facilities in the area will be implemented to prevent any customer supply interruptions, these may not be sufficient to address the problem.

Transmission Solution

- To address the problem, a new 24 km transmission line from Hydro One's Parkway TS in Markham to Hydro One's Armitage TS in Newmarket is proposed. The new transmission line will replace an existing line on the transmission corridor.
- The local utilities in Markham, Richmond Hill, Vaughan, Aurora and Newmarket have all signed off on a joint planning study that recommends the new transmission line. The Independent Market Operator has also recommended the new line in its latest 10 Year Outlook (issued March 31, 2004).

Approvals and Public Consultation

- This transmission solution is subject to Environmental Assessment approval and Ontario Energy Board approval.
- Hydro One is working with regional and municipal staff and will work with interested stakeholders in the area to identify and address any effects of the project on the local communities. Hydro One will host a series of public information centers in the affected area to obtain stakeholder input on the project. These information centers are planned for the April to June 2004 timeframe.
- Through initial consultation with regional and municipal staff, the following potential effects of the project have been identified and will be addressed by Hydro One through subsequent stakeholder consultation:
 - *Nearby Landowner Effects* – The existing transmission corridor passes through residential and commercial areas in Markham, north of Parkway TS, and in Aurora and Newmarket, south of Armitage TS. Hydro One will work with regional staff, municipal staff and interested landowners in the vicinity of the transmission corridor to build understanding of the need for the project and to address any identified project effects.
 - *Environmental Effects* – The proposed transmission line crosses the Oak Ridges Moraine. Hydro One will work with regional staff, municipal staff, and other interested stakeholders through the environmental assessment process to address any identified effects of the project on the environment.
 - *Easements* – Hydro One's existing easements on the transmission corridor are being assessed to determine Hydro One's rights on the transmission line corridor. New easement agreements are expected to be required.

Planned In-Service Date

- The proposed transmission line is planned to be in-service by late 2006, assuming that all required approvals and easement rights are obtained in a timely manner. Any delays in these processes will impact on the in-service date for the new line.