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Daniel Levitan

Vice President, Stakeholder Relations

May 7, 2021

Nick Head-Petersen

Ministry of Energy, Northern Development and Mines
Mines and Minerals Division, Strategic Services Branch
2nd Floor, 933 Ramsay Lake Road
Sudbury, Ontario, P3E 6B5

Re: ERO Posting 019-3281

Dear Mr. Head-Petersen:

Thank you for the opportunity to provide comments on ERO Posting 019-3281, Ontario Critical Minerals Framework Discussion Paper.

Hydro One Networks Inc. (“Hydro One”) is Canada’s largest electricity transmission and distribution service provider. Our values guide us to work relentlessly to serve homes, businesses and communities across Ontario. We operate 98 per cent of Ontario’s transmission grid providing power to 42 local distribution companies. Through our local distribution business, we directly serve 1.4 million residential and business customers including 28 mines. We also directly serve 88 Indigenous communities and have transmission assets on 23 First Nations reserves. In 2020, Hydro One invested approximately \$1.9 billion in its transmission and distribution networks to build and maintain a safe and reliable electricity system, which is essential to supporting strong and successful communities.

Hydro One has reviewed the discussion paper and is supportive of the development of Ontario’s first-ever critical minerals strategy to set out a vision to generate investment, increase competitiveness and support energy transition. As stated in the discussion paper, the demand for critical minerals is growing due to changing economic and environmental priorities. The market landscape for electric vehicles is rapidly shifting and combined with Canada’s climate goals, investing in critical minerals is essential. The Government of Ontario has committed to strengthen and build on Ontario’s North American leadership in automotive assembly and parts production and is positioning Ontario as a leader in the development, commercialization and adoption of advanced manufacturing and mobility technologies. Investing in critical minerals in Ontario will assist in securing the supply chain necessary for batteries used in electric vehicles plus energy storage systems.

Hydro One supplies electricity to Ontario’s major commercial and industrial businesses, all of which have significant power requirements and unique connection needs. As with all customers, Hydro One serves as a partner with the mining sector and encourages early engagement in order to navigate the connection process. Hydro One has the experience and expertise to assist early in the process to determine what capacity exists in the area and provide feedback on upgrades as necessary to enable economic development. Further, Hydro One is encouraged by the government’s action to modernize environmental assessment and its willingness to simplify the regulatory approval process through proposed exemptions to Section 92 requirements for transmission lines funded by generator and

industrial customers, including mines (ERO Posting 019-3038). As the regulatory landscape moves toward efficiency gains, Hydro One is enthusiastic to engage in further discussion to continue to update the transmission regulatory framework to drive efficiencies and reliability for the communities and customers we serve, while protecting ratepayers.

We look forward to working with Ministry of Energy, Northern Development and Mines, along with Ontario's vibrant mining sector, in the development of the critical minerals strategy going forward.

Best Regards,

A handwritten signature in black ink, appearing to read "Dan Levitan", with a stylized flourish extending to the right.

Daniel Levitan