



GRAND VALLEY

## STAFF REPORT

**To:** Mayor and Members of Council  
**From:** Meghan Townsend, CAO/Clerk  
**Meeting Date:** December 9, 2025  
**Report Number:** 2025-216  
**Subject:** Hill Town Subdivision – Hydro One Agreement

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### Recommendation

**THAT** Council receives Report – Hill Town Subdivision – Hydro One Agreement,  
**AND FURTHER THAT** Council authorizes the Clerk to sign the agreement for providing electrical servicing to the Hill Town Subdivision in Monticello, in consultation with legal, insurance and engineering,  
**AND FURTHER THAT** Council directs the Clerk to work with legal to facilitate the necessary easements for the servicing,  
**AND FURTHER THAT** Council approves the letter of credit required for the Expansion Deposit and directs staff to prepare and present the necessary by-law for passing.

### Executive Summary

#### Purpose

To provide Council with the Hydro One Multi-Service Connection Cost Agreement for the Hill Town Subdivision in Monticello, and to discuss the requirements of that Agreement for easements and Expansion Deposits.

**Key Findings**

- The Town will need to authorize easements within the subdivision for Hydro One infrastructure
- The Town is required to provide a Letter of Credit to secure the work

**Financial Implications**

The Town will provide security for the project. Costs of providing the letter of credit as security and any legal costs shall be included in the total project cost.

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**Report****Background**

For houses to be built in the Hill Town Subdivision in Monticello, various utilities must be brought onto the property as part of the construction of the subdivision. Electricity is provided by Hydro One in that part of the Town; therefore, an agreement with Hydro One for servicing is required.

**Discussion**

The Multi-Service Connection Cost Agreement is attached for reference as Attachment 1 to this report.

In addition to the detailed engineering requirements that make up the bulk of the agreement, there are requirements placed on the Town as the “developer,” including the following:

1. Agreeing to the terms, conditions and standards set out in the Agreement, including easements,
2. Providing security for the project in the form of a letter of credit to serve as the Expansion Deposit,
3. Providing proof of insurance through a Certificate of Insurance, and
4. Providing a Capital Contribution depending on the construction option selected.

Representatives from RJ Burnside and Associates and electrical subcontractors have been working with Hydro One to design the service and are aware of the standards placed on the project under the agreement.

Town Legal has been made aware of this agreement and will work with the Town to meet the requirements for subdivision registration and the easements required so that Hydro One has access to install and maintain infrastructure within the subdivision land.

As was done for the recent Hydro One agreement to provide electricity for the Southeast Sewage Pumping Station, a letter of credit will be necessary to secure this project. This letter of credit will be retained by Hydro One in case the Town performs work that is not in keeping with their standards, or if the development does not progress and connections to Hydro One’s

networks do not proceed. The agreement requires incremental connection, so the whole subdivision must be built out over the 15-year horizon provided. It will therefore be important that the Town continues to make progress toward development in the subdivision so that securities are not lost. The loss of the security would increase the total cost of the subdivision project.

In addition to financial security, Hydro One requires that Grand Valley provide a certificate of insurance, naming Hydro One as additional insured. Staff will work with Intact Public Entities to have this certificate produced and provided in accordance with the terms of the agreement.

### **Financial Impact**

There is a financial risk to the Town for this project. If houses do not connect within the required timeframe, then the return of the letter of credit is jeopardized. However, the Town has committed to seeing this project to completion, and so the Town has agreed to assume risk. Costs associated with creating easements, obtaining the letter of credit, etc., will be included in the total cost of the project to be shared by all property owners.

### **Consultations**

TD Commercial Banking

Town Legal

Town Engineers

Intact Public Entities

### **Attachments**

Attachment 1 – Multi-Service Connection Cost Agreement

Attachment 2 – 2025-XX, A By-law to authorize the execution of a Letter of Credit for a Multi-Service Connection Cost Agreement with Hydro One Networks Inc. for Monticello Subdivision electricity infrastructure

### **This report was submitted by**

Meghan Townsend, CAO/Clerk  
mtownsend@townofgrandvalley.ca.

### **This report was approved by**

Meghan Townsend  
Chief Administrative Officer/Clerk  
519-928-5652 extension 222