

ONTARIO ENERGY BOARD

IN THE MATTER OF the *Ontario Energy Board Act, 1998* (as amended) (the “Act”);

AND IN THE MATTER OF an application by Hydro One Networks Inc. pursuant to section 92 of the Act, for an Order or Orders granting leave to construct a transmission reinforcement Project between the Bruce Power Facility and Milton Switching Station, all in the Province of Ontario (the “Leave to Construct Application”).

ASSOCIATION OF POWER PRODUCERS OF ONTARIO

SUBMISSIONS

July 4, 2008

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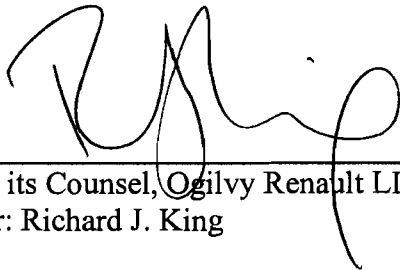
1. The Association of Power Producers of Ontario (“APPrO”) is a non-profit organization representing more than 100 companies involved in the generation of electricity in the province of Ontario. APPrO’s members produce electricity from cogeneration, hydroelectric, natural gas, coal, nuclear, wind, waste wood and other sources of power.
2. APPrO is filing these submissions in support of the application by Hydro One Networks Inc.’s (“Hydro One”) for leave to construct a 500 kV electricity transmission line from the Bruce Power facility in Kincardine to the switching station in Milton (the “Transmission Line”).
3. The record in the proceeding clearly demonstrates that there is a transmission capacity shortfall of more than 3,000 MW from the Bruce area.
4. Of this more than 3,000 MW shortfall, there is no dispute as to 2,200 MW (i.e., no party has expressed significant concerns with the 1,500 MW Bruce A refurbishment or 700 MW of committed wind generation).
5. With respect to the refurbishment of Bruce B following the end of its useful life, APPrO submits that the Ontario Government’s policy on nuclear generation in the Bruce area is as certain as it could possibly be at this point in time. This policy is set out in (a) the supply mix directive dated June 13, 2006 (Exhibit B, Tab 6, Schedule 5, Hydro One’s Pre-filed Evidence)(the “Supply Mix Directive”); and (b) in the Ministry of Energy and Infrastructure’s announcement of June 16, 2008 committing the province to 6,300 MW of nuclear power at the Bruce site (including maintenance of 3,260 MW of capacity currently supplied by the Bruce B units). These measures are discussed fully in the submissions of Bruce Power Inc. APPrO supports those submissions, and will not repeat them here.
6. With respect to the likelihood of 1,000 MW of planned wind generation, APPrO submits that the Ontario Government’s policy on wind power generation has been equally clear. This policy is set out in: (a) the Supply Mix Directive, pursuant to which the OPA was specifically directed to facilitate the development and use of

renewable energy resources such as wind power in “parts of the province where the most significant development opportunities exist”; and (b) the renewable procurement directive dated August 27, 2007 (Exhibit C, Tab 11, Schedule 1, Attachment 1, Interrogatory Responses), which requires the OPA to procure up to 2,000 MW of renewable resources to come into service by 2015. The government’s policy on wind power generation, and the likelihood of the planned 1,000 MW being built, is discussed more fully in the submissions of the Canadian Wind Energy Association. APPrO supports those submissions, and will not repeat them here.

7. APPrO submits that the refurbishment of Bruce B and the planned 1,000 MW of wind power generation are as certain as they can be at this point in time, given the government’s directives and announcements. It is the lack of adequate transmission, APPrO submits, that poses the greatest uncertainty for future wind and nuclear power development in the Bruce area.
8. For all of the reasons contained herein, APPrO submits that Hydro One has established the need and justification for the Transmission Line.

All of which is respectfully submitted this 4th day of July, 2008,

ASSOCIATION OF POWER PRODUCERS OF ONTARIO



By its Counsel, Ogilvy Renault LLP
Per: Richard J. King