

Bruce to Milton Reinforcement Project
Submission by Robert Barlow
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I am submitting this document because I am the only landowner who apparently is making submission to the board. So it is difficult to do so when so many people are affected by this proposal in some many different ways and were unable to attend and participate in the hearings that were held. People have lives and can not always take the kind of time required to participate in hearing that are held a long way from were they live.

I have an Honours B. Com and an MBA from Queen's University, and have worked in the Real Estate, Space Station, Computer Software, Pottery, Flatware, Lumber, Computers, Financial, and Oil industries. In addition been on the Board of Directors of the Halton Conservation Authority, numerous organizations, such as POWER, North Renfrew Ambulance Service, etc and been an elected politician. My efforts have stopped landfill sites from being established in the Niagara Escarpment and my business experience spans some 36 years.

Never in all those years have I seen a proposal for a major project so poorly put together and executed.

Open and Transparent

When we first met with Hydro One in Georgetown, Mr. Peter Gregg assured us that Hydro One was going to be open and transparent during this process. Based on the hearings, the conduct of Hydro One, the difficulties that the interveners had in obtaining relevant information and reports, his statement rings very hollow.

Hearings etc

Hearings seem to be the purview of lawyers, consultants, and those who have the resources to front end their attendance at such a hearing. It is very unfortunate that the system is stacked against in this case the landowners who are possibly affected by this proposed project. It is even more difficult to organized people strung out over a narrow band that is spread out over 180 km to have a voice.

The landowners were left without any assistance from the province nor Hydro One even though they were both asked on many occasions so the group Powerline Connection could assist in making sure that our portion of the project would go as smoothly as possible and allow the affected individuals get on with their lives with as little interruption as possible.

Powerline Connections

I am a landowner that was going to have his residence taken out by the proposed line and would also lose my location where I have my business. This

was also the case with my neighbour who had a young family and was just starting to see the fruits of the hard work that he had put in over the years and the reputation that he had established in the surrounding communities go down the drain.

Cindi my partner, Bill Allison and myself thought that it would be in the interest of the province, the people of the province, and the affected landowners that rather than oppose the project that we work with Hydro One to expedite the process that we were now in. So the owners of seven parcels of land in the Halton Hills area wrote to Hydro One and to Bruce Power offering to come to a business arrangement. The group expanded to include like-minded individual who just wanted to be treated fairly and to do what had to be done but also to enable them to reach a settlement and be able to get on with their lives.

We assembled over 100 parcels of land and some 200 plus landowners under the umbrella of Powerline Connections and proceeded to try to have our voices heard. As citizens of this province you would assume that since we were having to put our lives on hold while this project went forward, that the provincial government would at least meet with us. We were refused at all attempts to have meetings with the Provincial Government. It was like we did not exist and we had no rights as citizens of this province.

Yes we did as the Powerline have meetings with Hydro One; we came to the table open to suggestions, with ideas and prepared documents, willing to work with Hydro One.

In retrospect we were wrong in our assumptions that we would be treated fairly at the table. We were not, Hydro One in the end just wanted to use us a pr opportunity that cost them and the ratepayers close to a million dollars.

We at Powerline Connections make the mistake of assuming that Hydro One was rational and was proceeding with this project because they were doing this in the best interest of this province. We were wrong in that assumption and if we had to do this all over again would have done things much much differently. Hydro One corporate culture, mentality and demeanor is not conducive to the kind of approach that Powerline Connections brought to the table. It is like having a theory X manager work with a Theory Y person, their philosophy will not work. Hydro One is still ingrained with the Ontario Hydro culture and it needs to change dramatically if they are going to survive as a corporate entity that is to server the needs of Ontario.

The Project

It is truly astonishing that what is in essence a billion dollar project has progress to a stage where the OEB might actually give Hydro One the permission, given some conditions to construct this line. In all my years in business I can not believe that a project as ill conceived, undocumented, unsubstantiated, would have ever be put before the OEB for consideration.

This project as conceived and implemented by Hydro One should have never got passed the initial planning stages it is poorly conceived and executed.

In any other environment those it would have never seen the project get passed the initial stages, since it is flawed, poorly thought out, can not be justified on a financial basis, the supporting documentation is not there, and the company putting the project forward lacks the skill set to implement the project within the time frame set out and the budget set forth. It should never have seen the light of day, yet alone have gone this far along and cost the ratepayers of this province the monies already expended on this doomed project.

Hydro One is supposed to be operating in the best interests of the people of Ontario, but what I saw being presented before the OEB was not a company that wished to learn from the process, but a corporate entity there to protect it's self interest. Lawyers only do what their clients instruct them to do and he did the best job that he is able to. His conduct before the OEB is a function of senior management at Hydro One, the CEO, and the board of Directors. Hydro One had to go out of Province to get this lawyer who has no experience with the expropriation act of Ontario, but that probably is not the reason why Hydro One hired him it was to protect their corporate mantra from the public of Ontario.

Based on what I have been part of and seen, OSLER's bill to the rate payers of Ontario is probably now in excess of two million dollars on a project that should never have gotten to the point where it is today, before the board.

OEB

Hydro One's conduct before the board is a disgrace to the People of Ontario; they could be more defined as Arrogant One. They refused to provide information that they had to the interveners that should have been in their filings with the board. Documentation and study that they had were Hydro One has a very long way to go before it will ever be able to act in the best interest of the People of Ontario, and obviously it's creation out of Ontario Hydro was not enough to make the transition to an organization that serves the electric consumers of this province.

More changes are going to be required and it is obvious that many of those will have to take place at the top of this organization, since today it does not server the people, but itself.

What is Hydro One?

If you look closely at Hydro One, it can best be described as a "line maintenance " company with a wage structure that is out of line with similar industrial groups. It has no experience with large projects, nor has it with its limited corporate staff neither the expertise nor the experience to take on a project of this magnitude. If you look at the senior staff that they have assembled they lack the skill set to mount the Bruce to Milton Reinforcement Project. If there is any involvement with Hydro One it should be as a junior partner to a company that manages this type of project, so that they can learn and bring that expertise in house for the future. Not as the prime contractor for the project.

Hydro One was the only supplier OPA consider for this project and was ill founded and raises questions as to OPA's competence as the sole guiding agency for electrical direction for this province. Their selection of a specific route, rather than giving a broader more encompassing suggestion to Hydro One put them in a box. On the other hand Hydro One did not make any recommendations back to OPA with any other suggestions or analysis of the impact that such a line might have on the grid before they rushed forward and announced the project to the province.

Hydro One did not at any time indicate to OPA that they had concerns with the suggested directives in reference to their internal capability to mount such a project, any concerns about possible delays, hurdles that they would have to deal with, etc. They went forward like a bull in a china shop and by doing so has caused a great deal of stress, dislocation, and economic hardship on the landowners along the line.

Strike Fast and Get it Approved

Hydro One appears to have taken the initiative to proceed as quickly as possible before the OEB, since I believe that they felt that they could get this approved before any significant opposition would be mounted and they would have to justify their project before the people of Ontario. They were wrong, opposition was mounted and far quicker than Hydro One had anticipated and they were not prepared for that to happen.

Once the process slowed their progress down they had to start to compromise and became much more flexible with the early access agreement that Powerline Connection brought to the table. The landowners put together a number of conditions that they felt were reasonable if Hydro One and their agents were going to access private lands. That document Powerline Connections put together over many meetings up and down the line, resulted in some reasonable and no nonsense conditions that were put forward to the board by Hydro One. As a result of those meetings, Hydro One made a deal with the lawyers of Powerline Connections to remove themselves from the hearing.

A similar deal was reached with BLG to remove Powerline Connections from the leave to construct hearings and again the lawyers representing Powerline Connections withdrew. Just because they withdrew does not mean that the membership was happy with that decision, since I certain was not.

It appears that Hydro One is now in a delay mode, in that they longer they can delay the process the only option that will be left will be the Bruce to Milton Reinforcement project because there will not be time to evaluate other options. That will fall on Hydro One's back, since they have done everything that they could to not full fill the filing requirements of the OEB.

Hydro One Delays and Delays

Powerline Connections delivered our compensation policy to Hydro One during the summer of 2007 at their request. We spent a meeting in Toronto at

OSLER's offices and another in Limehouse discussing that document. Powerline even though they had to coordinate input from several groups along the line put together a 16-page document that was delivered on time to Hydro One.

Hydro One then made a commitment to come back to Powerline with their policy on two occasions, in the Fall of 2007, neither of which were met, as a matter of fact they did not even have the courtesy of contacting Powerline Connection to inform them that Hydro One was still not prepared.

After five months Hydro One made a presentation on December 17th at OSLER's offices in Toronto to Powerline Connections. The presentation only covered a small number of the issues that Powerline had put on the table for resolution. Hydro One executives Gregg and Sheehan along with their lawyer Nettleton made the presentation done in PowerPoint appear to be a big deal.

With over six months to work on this key document, the presentation could have been put together by a couple of business students in a couple of days. It was a disgrace.

Mr. Gregg told me that all their meetings were scripted and the meeting got worse as it went along. Their lawyer accused Powerline Connections of giving confidential documents to MPP Ted Arnott, which was not true.

He then stated that Hydro One had never asked for Powerline Connections compensation policy. Then why did Hydro One insist on getting our document on compensation to them by specific dates? Both Mr. Sheehan and Mr. Gregg made no attempt to apologize for these statements, which obviously were set up by Mr. Gregg. It got so bad that I finally got up and left the meeting since Hydro One had brought the discussions to a level that we never thought that they would stoop to.

At that point I knew that any further discussions with Hydro One would be meaningless and the leadership of Powerline Connections were not prepared to be lower to the level that Hydro One was at. It was over and the attempt of the landowners to work with the Province had been squandered by Mr. Sheehan and Gregg, the CEO, and the Board of Directors of Hydro One.

Mr. Gregg had decided to insult the people across the table that had come to find a better way to do things. The meeting was almost over when this happened and it was done intentionally. I looked at the two vice Presidents faces and they were not surprised by what their lawyer had said. It was done intentionally and they and the management team at Hydro One were standing behind Mr. Nettleton. It was over, the attempt to bring Hydro One into the real world was over, it had failed and Hydro One was retreating to their old philosophy of hit them over the head and keep hitting them until they submit. It is a sad commentary on what could have been a standard that people could look to in the future. Instead they have wasted a great deal of good will that the landowners extended to Hydro One believing that they did not want to act like the old Ontario Hydro.

We always felt that if Hydro One dealt with the landowners up front and fairly that this project could meet the lofty targets set. If Hydro One took 6 months

to deal with such a key component of this project, miss dead lines, etc and when they came to the table they should have been embarrassed with what they presented. In most situations in private industry they should have been looking for a job the next day.

How can they be taken seriously to possibly run a project of this size, when they take a key component and take it so lightly?

The answer is they cannot!

Project Budgets

It has become clear through questioning of the various panels that the budget that Hydro One has prepared is the biggest black hole that one could ever ask for. As a former Manager of Administration for the Canadian Space Station Project back in the 80's we had better control on financial costs and configuration control than this company seems to have.

When asked if there was any updated budget we were told that there was not changed even though it was over a year and a half later. Projects such as the Queen's University athletic complex have seen a 2% a month increase in their project costs, land projects in the GTA have seen similar increases, the TTC has been told that any thing related to steel that suppliers can only guarantee prices for thirty days. Yet this project has a substantial component of both land and steel in it. Yet Hydro One stated that their budget is on track and does not need to be up dated.

They were asked about the contingency fund of \$ 30,000,000 dollars and how the changes in the early days of the project of re routing a portion of the line to the other side had on that fund. We were told that they had found savings in other parts of the budget that off set that cost.

When the panel was asked if the cost of the Métis negotiations were included in the budget we were told yes it was, yet they were late getting to the table. Hydro One has no idea what the costs will be, since they have not even started the process. Yet they still claim that they have it in the budget. Everything seem to be covered and it is mind blowing that in the week to 10 days between the receipt of the letter from OPA to the announcement of this line, that Hydro One managed to include these cost in their budget.

What this tells me is that their budget needs revision yet Hydro One refuses to update their numbers. So let them live or die by their numbers. Let them guarantee to the ratepayers of Ontario that the budget that they have put forth is one that they will be able to meet. That means all the costs and not use other budgets and accounts to hide over runs. Let them be audited when this is all over and if they have not lived by their word let them take the consequences. Let senior management be accountable to the public.

We no longer are going to tolerate the sloppy accounting that has historically been the standard from the electricity sector when it comes to large projects.

Given that there is at least another year to go before construction might even start, the OEB and the people of Ontario need to know what this projects real costs are before they approve it's go ahead.

Hydro One has no financial controls other than the old philosophy is get it approved and then we have free range to run over budget at will. The OEB needs to have an independent qualified third party review the project costs and if they are not within 10% this project should be turned down. The Provincial Auditor would be one body that I suggest they turn to, since the auditors report on the Bruce Refurbishment contract had some strong comments about its implementation. Hydro One's budget needs the same scrutiny before this project gets any go head.

Configuration and Control

It was asked of the panel if Hydro One was ISO certified, the two senior people did not know if they were. In answering the questions posed of them they indicated that the responsibility for the Bruce Special Protection System was spread over several organizations, OPA, Hydro One and the Electricity Generators. Yet by their admission there is no formal documented procedures that ensures that changes when made are signed off on and those responsible for are notified of those changes. That in fact the BSPS is activated by OPA making a phone call to Hydro One.

It is a shock that Hydro One with the potential to knock down the electrical system in Ontario or indeed the North East of North America is not ISO certified. This is a company that is light years behind the rest of the country. In Australia, if you are not ISO certified you cannot even deal with the government. Hydro One really does need an overhaul from top to bottom.

Land Agents

Hydro One set up land agents to deal with the property owners. In theory it might have been a good idea, but it's implementation was a dismal failure and another waste of money.

Land agents when contact in many instances did not have the answers to the questions posed and had to refer the landowner directly to Hydro One. In some instances land agents said that they would be bringing the payments agreed to by Hydro One to the landowner, which was untrue.

Contact numbers for Halton Hills were long distance in the 519 area code, even though they had an office in Milton, and my contact lived in Toronto.

The person hired to run the land agents was very frustrated by the Hydro Process and that is why I put him on the list to come to give testimony at the hearing, since the whole process is a botch up.

I was serious about the list of people I wanted to question, because Hydro One didn't want them to be heard.

Tactics and Consequences

My first contact with Hydro One was a phone call from Mr. Sheehan who informed me that Hydro One was only going to pay for the 200 feet they wanted from my property. At that point on I knew that we were going to have to organize and take them on.

Mr. Sheehan was phoning landowners on a cell phone, the phone number showed up but no name, on Sunday afternoon asking if they would like a picture of the hydro corridor going through their house. He phoned my neighbour but not me, they were selective. My neighbour had enough stress on him for a 43 year old without having Hydro phone him on his day with his family.

Could I phone Hydro One on Sunday and talk to Mr. Sheehan, don't think so.

My neighbour died of brain aneurysm about 8 hours later. He did not need Mr. Sheehan and Hydro One interfering in his day off and putting further stress on him.

Property Appraisals

Hydro One rushed into doing appraisals on properties long before they should have been done. With no finalized route approved appraisers were sent out into the field and there was no consistency to their methods. Some drove by properties, others came on and spent 5 to 15 minutes, others several hours were spent, and yet others were never done at all.

The appraiser from the Altus Group who came here said that the appraisals would have to be updated every three months in the case of the properties in Halton Hills. Now Hydro One has told us that they no longer will be seeking to purchase the property. Another waste of funds, but Hydro seems to feel that they have an endless pot of money they can use.

They need to be brought under financial control!

Niagara Escarpment

Mr. Sneider stated that Hydro One was negotiating with the NEC; they are a tribunal, just as the OEB is and you don't negotiate with them. This just proves that Hydro One has no real understanding of the process or grasp of the huddles that are before them and that the Bruce to Milton reinforcement project was doomed before it got off its feet. You present your case before the NEC and they approve or reject it.

The NEC will be asking for Hydro One to show them the alternatives that they have considered before concluding that the Limehouse section is the only way that Hydro One has of getting the power out of Bruce and it is not. They are in for a fight at that body and thus will not be able to meet their in service date.

Native Issues

Hydro One and the province have virtually no input into the land claim issues raised in this hearing, they are in many instances under federal jurisdiction.

There is no way they will be resolved in the next 12 months, to allow the planned start of construction. Any good planner would have taken these factors into consideration before proceeding with the announcement of a project such as this and looked at other options, but not OPA and Hydro One. Away they went spending millions of dollars on a project that at this time just will not fly.

Compensation Policy

During the first few months of Powerline Connections existence the members worked at creating two documents, the first was the access document and the second was the compensation policy. As we worked our way from Halton Hills where some were looking at the first line across their property and maybe a second, there were individuals that were looking at the third, fourth or fifth.

The world had changed since the last time a line had been put through, farm machinery was bigger and the imposition of more towers as another obstacle to negotiate around making farming less attractive. People were better educated and the way they were treated by Ontario Hydro last time had not been forgotten. Farming is not an easy occupation and those that do make it know how to run a business and it requires that they look after the lands they have.

The landowner of today is well educated, know their rights, and expect that governments will treat them fairly and with respect.

Hydro One dragged the discussion out with the Powerline Connections lawyers for four months so that they could release the Hydro Compensation policy just before the hearings on leave to construct was about to start.

The document is an exercise in self-promotion for Hydro One and does very little to promote the early settlement of land acquisition before expropriation. For those most directly impacted there is little to recommend to the landowner except wait until expropriation.

Landowners

This project has cost me dearly, my property value has dropped about \$ 150,000, I have spent about 6 months of more trying to get fairness to the system for those affected, and while the lawyers made a good living off our early access and compensation documents, not one cent was given to assist us to help us through this process that we did not ask for.

Hydro One and their contractors were paid, but Hydro expect us to give of our time and pocket book so they can make a living off of our back. This must stop and compensation be given to those that have been unduly impacted be made economical whole after this ordeal is over.

Politicians

If this line is going to be put in despite all the evidence to the contrary, then make the proper judgment for the people of Ontario and let the politicians take the heat if they are going spend a billion dollars on a white elephant. We

have enough stranded debt in this province that we don't need any more piled on because of what ever is driving this foolishness.

Recommendations

1. OEB reject the leave to construct application for the following reasons.
 - a. Hydro One did not comply with the filing requirements that should be sufficient reason to turn down the request.
 - b. This project as it has been put together
 - c. The time lines set forth by Hydro One for the Bruce to Milton Reinforcement project and its in service date Hydro One has insisted on sticking with are not achievable for this project.
 - d. Other alternatives can be delivered within the parameters Hydro One has insisted on at a much lower cost.
 - e. Hydro One is ill prepared to mount or oversee such a large project since they have little internal construction capacity, don't have the management team to manage, nor the skill set to oversee such a large project. They have never had a project of this size and the electricity consumers of Ontario should not have to pay the cost of their learning curve. Nor has Hydro One given any guarantee that their cost estimates are reasonable and that they can live within them.
 - f. Hydro One provided no alternative alternatives, the interveners did and Hydro One criticized them for doing so. Yet it was Hydro's responsibility to put those forward with their application.
 - g. OPA's insistence on the phantom 1,000 MW of wind power was a smoke screen since without that additional supposed locked in power there is no need for the line. There will be very stiff opposition to the location of 400 to 600 wind turbines in the Bruce Peninsula. Essentially OPA is saying that almost all of the 2,000 Megawatts mandated by the Provincial government is going to come from the Bruce area.
 - h. None of the beneficiaries of this project, i.e. Bruce Power and the Phantom wind power producers were prepared to come and provide documentation and evidence before the board to justify the expenditure of the sums of money that Hydro One has suggested be spent.
 - i. Hydro One did not include all the costs that needed to be spent, i.e. the 40 million dollars plus that is going to be required to upgrade the Bruce SPS, which is now obsolete.
 - j. That in fact this line is a feeder line, not a grid line and should be financed by those who produce the power, not by the electricity consumers of Ontario.
 - k. Other alternatives can achieve the same goal, without the need of land expropriation, no major EA process, dealing with land claims

and native rights, and more resources expended in additional hearing before the NEC and the EA.

- l. Rejection of the application will cease any further expenditure of funds on the EA, survey and design work, hiring of unnecessary people, letting of contracts that will not be needed, etc.
 - m. That the electricity consumers of Ontario, should not be saddled with any further costs associated with this, antiquated and white elephant project that Hydro One is trying to foist on them.
2. That a Public Inquiry into OPA and Hydro One be held so that the fly by the seat mentality shown by both organizations never happens again and the cost of such stupidity never be put on the rate payers of this province.
 3. That the Auditor General of Ontario be asked to review the procedures within Hydro One, with regards to budget control on this project and their configuration and control function.