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## BY E-MAIL AND WEB POSTING

April 19, 2010

**To: All Licensed Electricity Transmitters  
The Ontario Power Authority  
All Other Interested Parties**

**Re: Board File Number: EB-2010-0059  
Transmission Project Development Planning**

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The Board is initiating a consultation aiming to develop a process to facilitate the timely and cost effective development of major transmission facilities that may be required to connect renewable generation in Ontario.

This letter describes the context for this consultation and invites written comment on a Board staff Discussion Paper that is being released today.

### **Background**

As a consequence of the passage of the *Green Energy and Green Economy Act, 2009* ("GEA"), there has been enormous interest in connecting renewable generation to both distribution and transmission systems. However, the ability of existing or approved transmission facilities in Ontario to accommodate more generation is limited. Based in part on the number of applications for contracts under the Feed-in Tariff ("FIT") program, the Board understands that significant investment in transmission infrastructure will be required to accommodate current FIT applicants as well as any future renewable generation projects.

The *Ontario Energy Board Act, 1998* ("OEB Act") contains new provisions that require licensed transmitters, as and when mandated by the Board, to develop transmission plans and have them reviewed and approved by the Board. These deemed licence conditions provide one basis on which the Board can ensure that transmission projects are developed as and when warranted, to facilitate the achievement of the Government's policy goals pertaining to the connection of renewable generation while ensuring that the interests of consumers are protected.

## Staff Discussion Paper

The Board has today released a Board staff Discussion Paper entitled “Transmission Project Development Planning”, and a copy is available from the Board’s website at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca). The Discussion Paper sets out Board staff’s proposals for transmission project development in Ontario, building on the framework for a designation process that the Board articulated in relation to “enabler” transmission facilities. The designation and transmission project development plan approval proposals described in the Discussion Paper focus on transmission projects that are identified by the Ontario Power Authority as it assesses, through a process known as the “Economic Connection Test”, the transmission investment requirements associated with the connection of renewable generation under the FIT program and other renewable generation.

## Invitation to Comment

The Board invites written comment on the staff Discussion Paper from all interested parties. Although the Discussion Paper specifically identifies a number of issues for stakeholder comment, interested parties may comment on any other element of the Discussion Paper as they consider appropriate. Written comments should be submitted by **May 31, 2010** in accordance with the filing instructions set out below.

## Cost Awards

Cost awards will be available to eligible persons under section 30 of the OEB Act in relation to their participation in this consultation process. The costs to be awarded will be recovered from all licensed electricity transmitters based on their respective transmission revenues. **Appendix A contains further details regarding cost awards for this consultation, including in relation to eligibility requests and objections, and eligible activities.** In order to facilitate a timely decision on cost eligibility, the deadlines for filing cost eligibility requests and objections will be strictly enforced.

## Filing Material with the Board

Three (3) paper copies of each filing must be provided, and should be sent to:

Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, Suite 2700  
Toronto, Ontario M4P 1E4

The Board requests that interested parties make every effort to provide electronic copies of their filings in searchable/unrestricted Adobe Acrobat (PDF) format, and to submit their filings through the Board’s web portal at [www.errr.oeb.gov.on.ca](http://www.errr.oeb.gov.on.ca). A user ID is required to submit documents through the Board’s web portal. If you do not have a user ID, please visit the “e-filings services” webpage on the Board’s website at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca), and fill out a user ID password request. Additionally, interested

parties are requested to follow the document naming conventions and document submission standards outlined in the document entitled “RESS Document Preparation – A Quick Guide” also found on the e-filing services webpage. If the Board’s web portal is not available, electronic copies of filings may be filed by e-mail at [boardsec@oeb.gov.on.ca](mailto:boardsec@oeb.gov.on.ca).

Those that do not have internet access should provide a CD or diskette containing their filing in PDF format.

Filings to the Board must be received by the Board Secretary by **4:45 p.m.** on the required date. They must quote file number **EB-2010-0059** and include your name, address, telephone number and, where available, your e-mail address and fax number.

Any questions regarding this consultation process should be directed to Laurie Reid at [Laurie.Reid@oeb.gov.on.ca](mailto:Laurie.Reid@oeb.gov.on.ca) or at 416-440-7623. The Board’s toll-free number is 1-888-632-6273.

Yours truly,

*Original Signed By*

Kirsten Walli  
Board Secretary

Attachment Appendix A: Cost Awards

## Appendix A

### Cost Awards

#### Eligibility

The Board will determine eligibility for costs in accordance with its *Practice Direction on Cost Awards*. Any person requesting cost eligibility must file with the Board a written submission to that effect by **May 3, 2010**, identifying the nature of the person's interest in this process and the grounds on which the person believes that it is eligible for an award of costs (addressing the Board's cost eligibility criteria as set out in section 3 of the Board's *Practice Direction on Cost Awards*). An explanation of any other funding to which the person has access must also be provided, as should the name and credentials of any lawyer, analyst or consultant that the person intends to retain, if known. All requests for cost eligibility will be posted on the Board's website.

Licensed electricity transmitters will be provided with an opportunity to object to any of the requests for cost award eligibility. If an electricity transmitter has any objections to any of the requests for cost eligibility, such objections must be filed with the Board by **May 17, 2010**. Any objections will be posted on the Board's website. The Board will then make a final determination on the cost eligibility of the requesting parties.

#### Eligible Activities

Cost awards will be available to eligible persons in relation to the provision of written comments on the Board staff Discussion Paper, to a **maximum of 30 hours**.

#### Cost Awards

When determining the amount of the cost awards, the Board will apply the principles set out in section 5 of its *Practice Direction on Cost Awards*. The maximum hourly rates set out in the Board's Cost Awards Tariff will also be applied. The Board expects that groups representing the same interests or class of persons will make every effort to communicate and co-ordinate their participation in this process.

The Board will use the process set out in section 12 of its *Practice Direction on Cost Awards* to implement the payment of the cost awards. Therefore, the Board will act as a clearing house for all payments of cost awards in this process. For more information on this process, please see the Board's *Practice Direction on Cost Awards* and the October 27, 2005 letter regarding the rationale for the Board acting as a clearing house for the cost award payments. These documents can be found on the Board's website at [www.oeb.gov.on.ca](http://www.oeb.gov.on.ca) on the "Rules, Guidelines and Forms" webpage.