Ontario Energy Board

Commission de l'énergie de l'Ontario

Ontario Energy Board

Filing Requirements for Transmission and Distribution Applications

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Chapter 4 Minimum Filing requirements for electricity transmission projects under Section 92 of the Ontario Energy Board Act ("the Act")

4.1 Introduction

The Act requires transmitters and distributors to obtain leave of the Board for the construction, expansion, or reinforcement of electricity transmission and distribution lines or interconnections; however, Ontario Regulation 161/99 has specified that this requirement applies only to transmission lines greater than 2 kilometres in length. A transmission system is defined as a system for conveying electricity at voltages greater than 50 kilovolts ("kV").

The filing requirements set out in this document are not intended to limit applicants in terms of what information they may want to present. Nor do these filing requirements limit the discretion of the Board in terms of what information and evidence it may wish to see.

In addition to the need to obtain leave to construct, under section 81 of the Act, any generator or an affiliate of a generator planning to construct transmission facilities must give notice to the Board per guidelines available on the Board's website **www.ontarioenergyboard.ca/documents/cases/Maad/guidelines.pdf**. The Board upon examining the relevant facts may choose to formally review the application by holding a hearing, and in that event will advise the applicant within 60 days of receiving the application of its intention to formally review that application.

Construction of new transmission facilities may also require an amendment to a transmitter license issued by the Board.

Any person who obtained leave of the Board to construct facilities under section 92 or who is exempt under section 95 may apply to the Board for authority to expropriate land for that purpose.

The Board's role in assessing applications for leave to construct transmission lines under section 92 is to ensure that the proposed projects are in the "public interest". Section 92:

> **92.** (1) No person shall construct, expand or reinforce an electricity transmission line or an electricity distribution line or make an interconnection without first obtaining from the Board an order granting leave to construct, expand or reinforce such line or interconnection. 1998, c. 15, Sched. B, s. 92 (1).

Note, however, that subsection 96(2) specifies that for section 92 purposes in determining whether the construction, expansion or reinforcement of the electricity transmission line or interconnection is in the public interest, the Board shall only consider the following:

> "1. The interests of consumers with respect to prices and the reliability and quality of electricity service."
> 2. Where applicable and in a manner consistent with the policies of the Government of Ontario, the promotion of the use of renewable energy sources."

4.2 The Regulatory Framework

4.2.1 Legislation

Section 92 of the Act requires leave of the Board for the construction, expansion, or reinforcement of an electricity transmission line or an electricity distribution line, as well as for the making of a connection to the power system. Under Ontario Regulation 161/99 however, many projects that would otherwise require approval under s. 92 of the Act are exempt from the need for leave to construct. This includes all distribution projects and most connections and projects involving electricity transmission lines that are 2 kilometres or less in length.

Section 95 of the Act allows an applicant to seek an exemption from the requirements of s. 92 of the Act. An applicant must submit such a request accompanied by the special circumstances that warrant an exemption from the requirement to obtain leave to construct under s. 92 of the Act. A project summary report should be submitted for review, consistent with the requirements described in this document. The level of detail in the submission should reflect the issues or concerns encountered during the evaluation phase of the project.

Section 97 requires that information on land requirements must be included as part of the leave to construct application. Section 97 of the Act states, "leave to construct shall not be granted until the applicant satisfies the Board that it has offered or will offer to each owner of land affected by the approved route or location an agreement in a form approved by the Board."

4.2.2 Related Regulatory Hearings

Board review of transmission investment can arise in regulatory settings other than a leave to construct application. For example, the Board's authority to review transmitter's capital budgets and set rates is established in subsection 78 (1) of the Act which states "No transmitter shall charge for the transmission of electricity

except in accordance with an order of the Board, which is not bound by the terms of any contract."

Avoiding duplication of regulatory review is therefore critical. The conclusions of the Board specific to a project that are made in one regulatory proceeding will not generally be re-evaluated in another proceeding. However, this must have been a discreet finding of the Board in a previous decision, not simply that information was filed in an application. For example, if the need for a project is clearly established in a leave to construct application, this need would not need to be re-evaluated in a subsequent rate proceeding to determine transmission rates; and to the extent that the project's costs and timing had not changed, the Board's review of these may not need to be comprehensive. However, if the leave to construct is preceded by the transmitter's rate case, the need for the project may not have been dealt with in sufficient detail to satisfy the requirements of a leave to construct proceeding. If the project had received approval in a rate hearing as part of an envelope of expenditures rather than as a discreet approval of the particular project, that panel would likely revisit the valuation of the project in some detail. The intent, however, is not to re-assess that which has already been specifically addressed in a related proceeding.

In addition to a leave to construct approval, most transmission projects will require various other regulatory approvals: for example, an environmental assessment approval. In some cases, these approvals will be obtained after the Board issues a leave to construct approval. It is possible that conditions attached to these approvals may result in material changes to the project that was reviewed by the Board (for example, a routing change or the imposition of additional costs that were not known to the Board). Under such circumstances, an applicant will be required to satisfy the Board that the project is still in the public interest.

4.3 Applicant and Project Types

In all electricity leave to construct applications under section 92(1), the Board considers the interests of consumers with respect to prices and the reliability and quality of electricity service, and, where applicable and in a manner consistent with the policies of the Government of Ontario, the promotion of the use of renewable energy sources."

The filing requirements differ depending on the type of applicant and project.

Applicants can be rate regulated, such as licensed transmitters that provide transmission services to third parties at Board-approved rates, or non-rate regulated, such as an owner of a large industrial plant or a generation facility that does not provide transmission services to third parties.

Rate-regulated applicants:

There is an onus on rate-regulated entities whose revenues are derived from ratepayers to justify before the Board all expenditures on transmission facilities.

A rate-regulated transmitter applying for a leave to construct for a proposed project must provide all the minimum filing requirements with the application, whether or not the project has been included in a capital budget that has been approved in a rate hearing.

Rate-regulated transmitters and distributors applying for transmission connection projects are subject to additional requirements as set out in the Transmission System Code ("TSC") in the application to the Board.

Non Rate-regulated Applicants

Most of the projects proposed by non rate-regulated applicants are designed to connect generation or load sites or plants to the existing IESO controlled grid. The financial risk of constructing new transmission facilities lies with the owners and shareholders of the company, and not with rate payers. As rate payer money is not involved, these applicants generally do not need to justify their expenditures on their own transmission facilities to the Board. However, it should be noted that in certain circumstances these owners and shareholders may be required by the Board to share some or all of the costs associated with the Network Reinforcement, as set out in Section 6.3 of the TSC. In that case the Board will want to ensure that the shared costs are appropriately assigned.

Section 6.3 of the TSC sets out how cost sharing will need to be justified. Transmitters and distributors applying for transmission connection projects must include additional information as set out in the TSC in their applications to the Board, such as the calculation of any capital contribution, and the relevant annual connection rate revenues over the applicable evaluation period if the costs are not recoverable in connection rate revenues.

Distribution Projects

Section 92 also applies for distributors' projects involving transformation connection projects (e.g. a transformer station transforming from above 50 kV to below 50 kV), if the transmission line tap is more than 2 km in length. Facilities with voltages which are above 50kV and with line connections greater than 2km in length and which are or might be "deemed distribution" facilities are also subject to Section 92.

4.4 Filing Requirements for Projects under Section 92

The analysis of public interest implications may vary depending on the Applicant (rate-regulated or non rate-regulated) and type of transmission project being reviewed. The following minimum filing requirements apply to projects in a leave to construct proceeding. The exhibit designation is a suggestion and is not mandatory.

Exhibit A: Index

An index table listing exhibit numbers, tabs and schedules, and each of their contents shall be provided.

Exhibit B: The Application

1. Administrative

This section should include the formal signed application, which must include the following:

- the name of the applicant and partnerships involved in the application;
- the authorized representative of the applicant, phone, e-mail, fax and delivery address;
- an outline of the business of the applicant and parties in the application;
- an explanation of the purpose of the project for which leave to construct is being sought ;
- the financial structuring for the project, as necessary;
- a concise description of the routing and location of the project, including the affected municipalities and regions;
- a description of project components and their locations, activities, and related undertakings;
- the rationale for selecting the proposed project as opposed to any for alternatives considered
- an explanation of how the project is in the public interest, as defined by section 96(2) of the Act; and,
- the project schedule.

2. Project Overview Documents

The evidence in this section provides the background and a summary of the application, and assists the Board in drafting a Notice of Hearing for potential interested parties. This must include:

- a detailed description of location of the project and its components;
- maps (1:50,000 or larger) showing: the route, facility sites and any proposed ancillary facilities;
- the location of project components and related undertakings;
- line drawings of the proposed facility, showing supply connection(s) to the proposed facility and delivery facilities from the proposed facility to any adjacent transmission and/or distribution system(s); and
- the nominal rating of the main components of the project, including the transformers.

3. Need for the Project

In leave to construct applications, the Board's consideration is limited to the interests of consumers with respect to prices and the reliability and quality of electricity service and, where applicable and in a manner consistent with the policies of the Government of Ontario, the promotion of the use of renewable energy sources. This is mandated by section 96(2) of the Act, and the Board does not have the power to consider broader issues. The Board's consideration of the "need" for a project, therefore, can relate only to matters described in section 96(2).

Project justification delineates the responsibilities and necessary evidentiary components required for the project review. The responsibility for the provision of all evidence for the entire case rests with the applicant.

The applicant's evidence in support of the need for the project is required to be submitted and can be supported as necessary by evidence of the Independent Electricity System Operation ("IESO"), the transmitter, and/or the Ontario Power Authority: ("OPA"):

Where the Board has already considered aspects of the "price" consideration through a rates proceeding the applicant must still provide with their application:

- a description of the need for the project;
- a detailed reference to those approvals for any projects forming part of an approved plan or rate order; and,
- the reasons given for the inclusion of the project in those proceedings.

Classification of Project Need for Rate-regulated Transmitters:

This section relates to additional information required to be provided by rate-regulated Transmitters. Project Categorization, Classification and Justification assist in determining the need for the project. The categorization and classification are considered in a matrix as shown:

PROJECT NEED			
		PROJECT Categorization	
		Non-discretionary	Discretionary
PROJECT Classification	Development		
	Connection		
	Sustainment		

The classification and categorization is discussed in further detail here.

a) Project Classification

Project Classification is the classification of a project into one of three project classes:

- **Development projects** are those for providing:
  - an adequate supply capacity and/or maintaining an acceptable or prescribed level of customer or system reliability for load growth meeting increased stresses on the system; or
  - enhancing system efficiency such as minimizing congestion on the transmission system and reducing system losses.

- **Connection projects** are those for providing connection of a load or generation customer or group of customers to the transmission system.

- **Sustainment projects** are those for maintaining the performance of the transmission network at its current standard or replacing end-of-life facilities on a "like for like" basis.

It is acknowledged that projects can have elements of development, connection, or sustainment. In these cases, the applicant should identify the proportional make-up of the project, and then classify the project based on the predominant driver.

An investment in the Network may be required in any of these three project classifications. Network facilities are comprised of network stations and the transmission lines connecting them.

b) Project Categorization

The categorization stage identifies the project need as:

- **Non-discretionary** – a "must do" project, the need for which is determined beyond the control of the applicant ("Non-discretionary"), or
- **Discretionary** – the need is determined at the discretion of the applicant ("Discretionary").

The purpose of project categorization is to distinguish whether the project need is **beyond** the control of the ("Non-discretionary") or **at the discretion** of the Applicant ("Discretionary").

Non-discretionary projects may be triggered or determined by such things as:

- mandatory requirement to satisfy obligations specified by regulatory organizations including NPCC/NERC (the designated ERO in the future) or by the IESO;
- a need to connect new load (of a distributor or large user) or new generation (connection);

- a need to address equipment loading or voltage/short circuit stresses when their rated capacities are exceeded;
- projects identified in a Board or provincial government approved plan;
- projects that are required to achieve provincial government objectives that are prescribed in governmental directives or regulations; and
- a need to comply with direction from the Ontario Energy Board in the event it is determined that the transmission system's reliability is at risk.

Discretionary projects are proposed by the applicant to enhance the transmission system performance, benefiting its users. Projects in this category may include:

- projects to reduce transmission system losses;
- projects to reduce congestion;
- projects to build a new or enhance an existing interconnection to increase generation reserve margin within the IESO-controlled grid, beyond the minimum level required;
- projects to enhance reliability beyond a minimum standard; and
- projects which add flexibility to the operation and maintenance of the transmission system.

4. Evidence in Support of Need

The reasons that a project is necessary must be identified. The basic form for such evidence should be cost-benefit analyses, if applicable, of various options. The Board expects that Applicants will present:

- the preferred option (i.e. the proposed project); and
- alternative options.

It should be recognized, however, that the Board will either approve or not approve the proposed project (i.e. the preferred option). It will not choose a solution from among the alternative options. The applicant should present the smallest number of alternatives consistent with conveying to the Board the major solution concepts available to meet the same objectives that the preferred option meets.

When providing evidence on the need for the applied-for project, support may arise from a comparison with alternative possible projects. Where a proposed project is best compared to other viable transmission alternatives, the comparison should include "doing nothing".

Where the applicant lists the benefits of a leave to construct project as avoiding non-transmission alternatives such as a peaking generation facility or a "must run" generation requirement, it is helpful for the applicant to include corroborative evidence from the IESO or the OPA regarding the Applicant's quantitative evaluation of such a benefit. In any event, this evidence is required to support the need for the project.

The applicant is expected to also compare the alternatives versus the preferred

option along various risk factors including, but not limited to:

- financial risk to the applicant;
- inherent technical risks;
- estimation accuracy risks; and
- any other critical risk that may impact the business case supporting the proposed project.

If the proposed project alternatives are expected to have significant qualitative benefits that cannot reasonably be quantified, evidence about these qualitative benefits should be provided. These benefits may be taken into account in ranking the alternatives. Incorporating qualitative criteria may result in a different ranking of projects compared to the ranking based on quantitative benefits and costs alone. For example, a project may be compared on the basis of its degree of disruption to property owners (least, more and most disruptive).

In addition to the evidence regarding the need for the project, the Applicant must address how it proposes to accomplish the project including the identification of relevant options.

For connection projects, in addition to the cost benefit analysis, the applicant must supply specific information on the nature and magnitude of the network impacts. Certain connection projects may require network reinforcement in order to proceed. A description of the additional information requirements in such cases is provided in Appendix 4 -A to this Chapter. Some of these requirements could affect an evaluation of projects and this should be taken into account.

Where an applicant attributes to a proposed project market efficiency benefits such as lower energy market prices, congestion reduction, or transmission loss reduction, the evidence submitted must include quantification of each of the market efficiency benefits listed for that proposed project.

Evidence of Need in Non-discretionary Projects

In the case of a non-discretionary project, the preferred option should establish that it is a better project than the alternatives. The applicant need not include “doing nothing” as an alternative since this alternative would not meet the need. One way for a rate-regulated applicant to demonstrate that a preferred option is the best option is to show that it has the highest net present value as compared to the other viable alternatives. However, this net present value need not be shown to be greater than zero. In contrast, in the case of a discretionary project, “doing nothing” would count as a viable option.

External Need Factors

In some cases, a discretionary or non-discretionary project's need is driven by factors external to the applicant, such as the need to satisfy an IESO requirement or to serve an incremental customer load. Where the applicant identifies a customer or agency (such as the IESO or the OPA) as the driver behind a project:

- It is the Applicant's responsibility to include evidence from that customer or agency as part of the evidence in the application.
- The customer or agency must be prepared to provide witnesses as needed to support the filed evidence if an oral hearing is held.
- It is not sufficient for the applicant to state that the customer or agency has established the need for the project; the Board must be able to test that assertion.
- The Board expects the applicant to work with that external party in the development of the required evidence. The external party will often be the IESO and/or the OPA, although the additional evidentiary requirement could apply to any external party on whom the applicant has relied for the justification of the need for the project.

The evidence may include:

- written material prepared by the customer or agency specifically addressing the proposed project, and,
- a list identifying the key driving factors of the evidence justifying the project need, and the party (e.g. the applicant, the IESO, or the OPA) which has prepared the evidence to justify a given key driving factor.

5. Project Shared Costs

Where there are costs which are shared between rate regulated and non rate-regulated parties, proponents must provide details of project costs to the rate-regulated party. Applicants should provide details covering:

- labour - including a breakdown by facility installations;
- materials - including a breakdown of all facility costs;
- cost of similar projects constructed by the applicant or by other entities for baseline cost comparisons covering:
    - in-service year of the comparator project, and
    - similarities and differences in terms of voltage level, type of towers, type of terrain, etc.
- acquisition of land use rights, and land acquisition including permanent and working easements, survey and appraisals, legal fees, crop and damage compensation;
- direct and indirect overheads broken down by facility installation; and,
- allowance for funds used during construction ("AFUDC").

6. Transmission Rate Impact Assessment

The Board requires information relating to the rate impacts anticipated from transmission investments. Information should cover the short-term impacts as well as long-term impacts of the proposed project.

7. Establishment of Deferral Accounts

The Board would consider applications by licensed transmitters requesting that the Board include with its grant for leave to construct, the establishment of a deferral account (under the Uniform System of Accounts) to track the project construction costs and that such accounts would be reviewed for prudence and inclusion in rate base in a future rate proceeding.

Exhibit C: Project Planning

The applicant must provide the Board with time estimates for construction and service dates, including:

- the critical path and time frame for the completion of construction and operational start-up of the proposed facilities;
- any aspects of the start-up of operation relative to the introduction of the new or additional market demands on the transmission system;
- the estimated schedule (time of year and duration) for each of the major construction activities and the implications of critical constraints such as:
  - delay in start of construction due to failure to obtain timely approvals;
  - prolonged adverse weather conditions;
  - availability of qualified contractors and/or skilled trades persons;
  - construction windows due to environmental constraints; and,
  - the projected and contractual in-service date for the facilities.

Exhibit D: Project Details:

This section of the application must provide detailed information on the project, focussing on identifying project design features and procedures that will ensure the safe and reliable operation of the proposed facilities. These design specifications should demonstrate compliance with the technical requirements as specified in the TSC.

The route of the line is critical because the Board will only provide leave to construct for a specific route. Any material deviations to the approved route following Board approval will invalidate the leave to construct.

This exhibit should include:

- Descriptions of the physical design, including:
  - a section by section description of the physical form of the line;

  - transmission line details, including conductor type, ratings;
  - transmission structure description including the variety of towers;
  - transmission cable burial information and cross-section; and
  - transformer and switching stations
- Maps indicating:
  - the route of the line and the Lot number and Concession number through or adjacent to which the line runs;
  - the plan of each section of the transmission line in relation to the description and indicating clearances to the land profile or, where buried, in relation to the surface; and
  - the right-of-way dimensions and an indication of where the route crosses privately owned land.

Exhibit E: Design Specifications and Operational Data

Operational details:
The application must provide the following details on the planned operation of the transmission line including:

- the control stations
- monitoring and metering locations

Codes, Standards and Regulations:
The application must provide a description of any applicable codes, standards, and regulations that are applicable to the project. It must also provide engineering details with respect to any special design features, which may influence the construction and in-service schedule and to demonstrate that the proposed transmission facilities will be safe and reliable. Specifically, a table should be provided which indicates::

- a list of any documents, including permits, licences and approvals from other agencies which must be received before the project can be implemented;
- the reason the document is required; and
- the location of the various physical sections and components of the project.

Exhibit F: Land Matters

The application must include accurate documentation that demonstrates compliance with legislative requirements and respects the rights of affected parties, including:

- land easements required
- land rights, and
- the land acquisition process.

A description of the land area required including:

- the width(s) of any right-of-way required on new and/or existing easements;
- the location and ownership of land with existing easements and of any new easements or land use rights that will be required; and
- the need and amount of additional temporary working rights required at designated locations such as crossings of rivers, roads, railways, drains and other facilities.

A description of the land rights required must be provided including:

- the type of land rights proposed to be acquired for the project and related facilities (e.g. permanent easement, fee simple);
- the nature and relative proportions of land ownership along the proposed route (i.e., freehold, Crown or public lands); and,
- where no new land rights are required, a description of the existing land rights that allow for the project.

A description of the land acquisition process including:

- identification of the properties and the property owners and/or tenants affected by the proposed construction (landowners line list);
- the extent of notification to landowners regarding the routing of the new facility, the environmental assessment and the facility application;
- the applicant's plan for acquiring new easements or for amending existing easements; and the progress achieved to date with affected landowners, any concerns, or objections registered by affected landowners and municipalities with respect to the proposed construction, and the resolution of these concerns.

A copy of, or a reference for, each of the following forms must be submitted where applicable and where an up-to-date copy is not already on file with the Board:

- the option for easement form;
- the working rights agreement form;
- the easement agreement form;
- the damage release form; and,
- a copy of any correspondence with affected landowners outlining changes in company policy with respect to land acquisitions.

Exhibit G: Community and Stakeholder Consultation

The Board expects applicants will consider stakeholder consultation for all projects. Applicants are responsible for justifying the extent of consultation carried out for each application. The following information should be provided within the application:

- principles and goals of the consultation program;
- design details of the consultation program; and,

- the results of the consultation carried out, including how public input influenced the design, construction, or operation of the project; or,
- an explanation if no consultation was pursued.

As a result of the limits on the Board's jurisdiction imposed by subsection 96(2), the Board does not itself consider issues relating to the Crown's duty to consult with Aboriginal peoples in section 92 applications[1]. However, applicants should be aware that the proposed project may well give rise to duty to consult issues that will be dealt with in other forums (for example, the environmental assessment).

Exhibit H: System Impact Assessment

The IESO Connection Assessment and Approval process identifies the detailed procedures to be followed by applicants who wish to connect or modify a connection to the IESO-administered grid. The IESO evaluates the design of the project and its impact on integrated power system reliability, and identifies any transmission facility enhancements required. IESO requirements must be fulfilled in addition to those listed here.

Exhibit I: Customer Impact Assessment

The Applicant, including a rate-regulated transmitter if it is the Applicant, is required to include in its evidence a Customer Impact Assessment (CIA) report, as required by the TSC.

The CIA report is to be completed by the rate-regulated transmitter to which the Applicant's transmission facilities are connected. A transmitter shall carry out a CIA for any proposed new or modified connection where:

- the connection is one for which the IESO's connection assessment and approval process requires a system impact assessment; or
- the transmitter determines that the connection may have an impact on existing customers.

A transmitter may decide not to carry out a CIA for any proposed new connection or modification that is not subject to a system impact assessment. In such a case, the transmitter would notify existing customers in the vicinity, advising them of the proposed new connection or modification and of the transmitter's decision not to carry out a CIA on the basis that no customer impact is expected.

A transmitter would provide each affected customer with a new available fault

[1] See, for example, the Board's Decision on Questions of Jurisdiction and Procedural Order No. 4 in EB-2009-0120, issued November 18, 2009.

current level at its delivery point(s). This would allow each customer to take, at its own expense, action to upgrade its facilities as may be required to accommodate the new available fault current level up to the maximum allowable fault levels set out in Appendix 2 of the TSC.

Appendix 4-A

Connection Projects Requiring Network Reinforcement

For review of connection projects the Board requires submission of evidence to cover various aspects including:

- Transmission System Impact and Network Reinforcement;
- Cost Responsibility for Network Reinforcement; and
- Implementation of Required Network Upgrades

Transmission System Impact and Network Reinforcement

The applicant must supply information on the nature and magnitude of any impact of the proposed connection facility on the transmission system. Normally the IESO addresses and provides high level assessment of such impacts in the System Impact Assessment report performed by the IESO as set out in the IESO's Connection Assessment and Approval process.

This information will not on its own be determinative of the decision on leave to construct in these applications as the cost responsibility of line connection investments are addressed fully in the Transmission System Code (TSC) and the applicant is responsible for demonstrating compliance with the TSC.

However, the Board may determine that a transmitter(s) needs to apply for a leave to construct to make the required network upgrades triggered by the proposed connection project. If a leave to construct is necessary, the Board may wish to invite the transmitter(s) to make the needed applications at the same time, or immediately following, the application of the connecting customer.

The nature and magnitude of other network impacts resulting from the proposed investment must be identified e.g. changes in generation dispatch and transmission line losses.

Cost Responsibility for Network Reinforcement

Section 6.3.5 of the TSC states that "A transmitter shall not require any customer to make a capital contribution for the construction of or modifications to the transmitter's network facilities that may be required to accommodate a new or modified connection. If exceptional circumstances exist so as to reasonably require a customer to make a capital contribution for network construction or modifications, the transmitter or any other interested person may apply to the Board for direction."

Transmitters and other interested parties may apply to the Board for direction on the existence of "exceptional circumstances" requiring the connecting customer to make a capital contribution for network investments triggered by their proposed line

connection. The onus is on the transmitter and other interested parties to establish to the Board's satisfaction that "exceptional circumstances" exist.

Implementation of Required Network Upgrades

When the proposed investment project necessitates network upgrades to comply with the TSC and other industry standards and codes, the nature, magnitude and impact of the necessary upgrades must be identified e.g. changes in generation dispatch and transmission line losses).

A key objective of the OEB in these contexts is early identification of the magnitude of any upstream network impacts resulting from a connection investment. This early identification will enable the OEB to determine if relevant rate-regulated transmitters should be invited to pursue leave to construct applications. A related objective is to enable any person to make application to the Board under section 6.3.5 of the TSC for a finding that exceptional circumstances apply, and that the connection proponent should therefore bear some portion of the cost responsibility for the resulting network upgrades that are required.

- End of Chapter 4 -

Chapter 5 Prior to the approval of an Integrated Power System Plan: Filing requirements for the approval of a capital budget for a transmission project in a rate application or for the approval of projects under section 92 of the OEB Act

The information previously in this chapter has been consolidated into Chapter 4.