



EB-2008-0272

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*,  
S. O. 1998, c. 15, Schedule B;

**AND IN THE MATTER OF** a review of an application filed by Hydro One Networks Inc.  
under section 78 of the *Ontario Energy Board Act, 1998*, seeking changes to the uniform  
provincial transmission rates.

Supplementary Evidence (September 4, 2009)  
Capital Projects D7 & D8  
2009/2010 Electricity Transmission Rates  
Hydro One Networks Inc.

Submission of  
Ontario Power Generation Inc.

October 26, 2009

This is the submission of Ontario Power Generation Inc. ("OPG"), filed in accordance with Procedural Order No. 7, dated October 20, 2009 in the Hydro One Networks Inc. ("Hydro One") EB-2008-0272 proceeding.

Ontario Power Generation (OPG) Inc. supports Hydro One Network's Northeast Transmission Reinforcement Project including Series Capacitors in the 500kV circuits at Noble TS and Static VAR compensation at Porcupine TS and Kirkland Lake TS (the "HONI NTRP") with 2010 in-service dates.

OPG owns and operates its Lower Mattagami River ("LMR") Hydroelectric Complex which is comprised of four hydroelectric generating stations: Smoky Falls Generating Station ("Smoky Falls GS"), Little Long Generating Station ("Little Long GS" or "Little Long"), Harmon Generating Station ("Harmon GS" or "Harmon") and Kipling Generating Station ("Kipling GS" or "Kipling"). In order to make more efficient use of the available water flows along the LMR, OPG intends to replace the existing powerhouse at Smoky Falls GS with a new powerhouse that has increased generation capacity. OPG also intends to add a third generating unit to each of Little Long, Harmon and Kipling. OPG's project to increase the generation capacity of these four plants is referred to as the Lower Mattagami River Hydroelectric Project ("LMR Project").

OPG believes that its LMR Project is consistent with policy objectives of the *Green Energy and Green Economy Act, 2009* ("GEGA") and the Government of Ontario's strong desire to support and develop renewable resources of energy in Ontario. In a letter dated May 23, 2006, the Minister of Energy directed OPG "to proceed immediately with the definition phase for the replacement of Smoky Falls station and the expansion of Little Long, Harmon and Kipling stations..." In OPG's estimation, the HONI NTRP is necessary for the effective transmission of generation from OPG's LMR Project and so it too is consistent with the Government of Ontario's policy objectives with respect to the development of renewable resources in Ontario. The LMR Project will provide an additional 450 MW's of generation bringing the total output of renewable energy from the Lower Mattagami complex to over 930MW. The Project is expected to start construction in spring 2010 with new generation coming online in 2013. The completion of the HONI NTRP is one of the requirements included in the IESO System Impact Assessment for the LMR project.