

**ONTARIO ENERGY BOARD**

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

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

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**SUBMISSIONS OF**  
**THE**  
**SCHOOL ENERGY COALITION**

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**October 26, 2009**

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John De Vellis  
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## INTRODUCTION

1. Pursuant to Procedural Order #7 in this matter, these are submissions of the School Energy Coalition ("SEC") in respect of the supplemental evidence filed by Hydro One Networks Inc. ("HON") in its application seeking changes to the uniform provincial transmission rates.

2. SEC agrees with Board Staff that HON has incorrectly labeled the two projects, D7 and D8, as non-discretionary. The Filing Requirements clearly state [at para. 5.2.2, page 34] that "Discretionary projects are proposed by the Applicant to enhance the transmission system performance benefiting its users....[and] may include...Projects to reduce congestion..." Although both HON and OPA's describe the purpose of the projects as increasing the "capability" of the North-South tie, it is clear that they do so by reducing congestion and not by adding additional connections.

3. Accordingly, HON was required to provide evidence demonstrating that the benefits of the projects will exceed the costs. The Board said as much in its original Decision with Reasons in this proceeding. The Board found, for example, that in respect of Project D5, HON had demonstrated that the benefits accrued from the avoidance of congestion outweigh the cost of the project." The same was not true for Projects D7 and D8 [and D9 and D10]: "Hydro One has not provided similar analysis for these four projects." [See Decision With Reasons, pp. 47-48]

4. It is clear, therefore, that what the Board expected, and what the Filing Requirements require, is a cost-benefit analysis for these projects. HON has not provided one and stated in its answers to Board Staff's interrogatories that it had no intention of doing so [Exhibits I-1S-92,

93]. SEC submits, therefore, that HON has not provided adequate evidence in support of the projects and they should not be approved.

**Costs**

5. SEC participated responsibly in this proceeding respectfully requests that it be awarded 100% of its reasonably incurred costs.

All of which is respectfully submitted this 26<sup>th</sup> day of October, 2009:

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