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BY E-MAIL AND WEB POSTING

August 22, 2011

**To: All Licensed Electricity Transmitters
All Applicants and Potential Applicants for an Electricity Transmitter Licence
All Interested Parties**

**Re: Board File Number: EB-2011-0140
Electricity Transmission Infrastructure: The East-West Tie Line**

The Government of Ontario and the Ontario Power Authority (the "OPA") have identified five priority transmission projects for the province. One of the priority projects is a major new piece of transmission infrastructure to increase transfer capacity between the transmission system in the northwest and the rest of Ontario, namely an East-West tie line (the "E-W Tie").

On August 26, 2010, the Ontario Energy Board (the "Board") issued its policy entitled "Framework for Transmission Project Development Plans". In a letter to the Board Chair, dated March 29, 2011, the Minister of Energy suggested that the designation process outlined in the Board's policy framework could be used to select the most qualified and cost-effective transmission company to develop the E-W Tie. Consequently, by letter to the OPA Chief Executive Officer dated April 25, 2011, the Board Chair requested a report from the OPA regarding its preliminary assessment of the need for an E-W Tie.

On June 30, 2011, the Board received from the OPA its "Long Term Electricity Outlook for the Northwest and Context for the East-West Tie Expansion" (the "OPA Report"). The OPA report is available on the Board's website at <http://www.ontarioenergyboard.ca/OEB/Industry/Regulatory+Proceedings/Policy+Initiatives+and+Consultations/East-West+Transmission+Tie+Line>

On August 19, 2011, the Board received a Feasibility Study by the Independent Electricity System Operator (the "IESO") in relation to the E-W Tie, which is also available on the Board's webpage.

The OPA is responsible for independent transmission planning in Ontario and has advised the Board that there is a need to proceed with development work on the E-W Tie. The Board has received the OPA's preliminary assessment of need as a basis for a designation process. The Board expects the final determination of need to be made as part of a future application for leave to construct, not through the designation process.

The Board finds it advisable to invite licensed transmitters and those who have applied for a transmission licence (collectively "transmitters") to indicate their interest in filing a plan for the development of the E-W Tie. Parties who file a transmitter licence application before the deadline for registering interest below may also register and participate.

The OPA Report defines a specific solution as its preferred option but acknowledges that it may be possible for other solutions to meet the requirements for the line as described in the project scope criteria of the OPA Report. The Board will call the OPA's solution, with the additional requirements from the IESO Feasibility Study, the "Reference Option". Transmitters may propose alternative solutions that meet the requirements. A transmitter proposing a solution different from the Reference Option will bear the onus of proving that the alternative is the equivalent, in terms of performance, reliability, cost, etc., of the Reference Option. This would include a feasibility study prepared by the IESO or prepared by the transmitter to the IESO's requirements.

Registration Required

Transmitters who may be interested in filing a plan for the E-W Tie must register with the Board Secretary at BoardSec@OntarioEnergyBoard.ca by **4:45 pm on September 21, 2011** quoting file number **EB-2011-0140**, identifying the transmitter and a person to act as contact for the transmitter including name, telephone number and e-mail address.

Registration is required from any transmitter that intends to file a plan. Failure to register may disqualify a transmitter from participation in the designation process.

Further details on the project and the process will be made available in the coming weeks. Please contact the Market Operations hotline at 416-440-7604 or by e-mail at market.operations@OntarioEnergyBoard.ca with any questions. The Ontario Energy Board's toll-free number is 1-888-632-6273.

Yours truly,

Original Signed By

Kirsten Walli
Board Secretary