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APPRO

ASSOCIATION OF
POWER PRODUCERS
OF ONTARIO

October 29, 2012

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
27th Floor
2300 Yonge St
Toronto, ON
M4P 1E4

**Re: Renewed Regulatory Framework (“RRFE”)
Board File Nos.: EB-2010-0377, EB-2010-0378, EB-2010-0379, EB-2011-0004 and
EB-2011-0043**

Dear Ms Walli,

Further to the Board letter and report on the RRFE dated October 18, 2012 and the Board's *Practice Direction on Cost Awards*, we are writing to request cost eligibility in relation to each and all of the following and above-mentioned policy initiatives:

- i) Performance Metrics
- ii) Benchmarking and Rate Adjustments Indices
- iii) Regional Infrastructure Planning
- iv) Development of the Smart Grid
- v) Integrated Approach to Network Investment Planning (Distribution Network Investment) and as applicable;
- v) Electricity Distribution Rate Setting.

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Representation and Experts

APPrO will be represented by Elisabeth (Lisa) DeMarco, a senior energy lawyer at Norton Rose, whose credentials are attached as Appendix A to this letter. Together with other generator organizations (including, without limitation, CanWEA, CanSIA, OWA and the Biogas Association) APPrO hopes to retain a technical expert (ICF Consulting or Navigant as per APPrO's prior approved expert funding eligibility, which has yet to be drawn upon) to speak to common issues in relation to distribution network and regional infrastructure planning, smart grid, cost mitigation, as well as applicable performance metrics. APPrO may also, contingent on the terms of reference of the working groups, retain a separate expert to speak to additional issues identified as a result of the latest report from the Board related to distribution network investment planning, regional planning, cost mitigation, smart grid development and/or performance metrics issues. APPrO is therefore requesting (i) combined funding for a general generation connection performance expert; and (ii) depending on the terms of reference for the working groups announced in the Board's October 18, 2012 letter, individual funding for a potential expert on additional issues related to the planning and procedures for connection of generation to distribution and transmission networks in Ontario.

Practice Direction and other Funding

APPrO currently does not have access to any other funding to enable its participation in these RRFE proceedings.

In accordance with Section 3 of the Board's *Practice Direction on Cost Awards*, APPrO believes that it is eligible for an award of costs as it represents a public interest relative to the Board's mandate (s.3.03(b)) and increasingly APPrO members are persons with interests in land that will be affected by the outcome of the RRFE processes (2.3.03(c)). APPrO is an association that represents generator and technology providers, who are often customers of distribution and/or applicants in this RRFE and other related proceedings. As a result, APPrO submits that special circumstances exist to find that it is eligible for a cost award in this RRFE process despite the fact that certain of its members may fall within s.3.05(b) of the Practice Direction.

APPrO is a non-profit organization representing electricity generators in Ontario. Our members produce nearly all the power generated in Ontario from facilities of many types including gas-fired, hydro-electric, nuclear and wind energy. APPrO members are customers of transmission and distribution utilities in Ontario, and many have current transmission or distribution connection applications in development or underway. APPrO members often experience challenges associated with the uncertainties and implementation of current transmission and distribution related rules and policies.

In fact, the terms under which connection capacity is planned, developed and paid for can make the difference between a generation project being viable or non-viable. In addition, any changes to the policy or rules which govern cost allocation and cost responsibility could have a significant impact on APPrO members' generation companies and generation facilities, both those in operation and those under development.

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APPrO and its members therefore have a significant interest in each and all of the RRFE proceedings.

APPrO expects to co-ordinate with other generator organizations and limit its participation to issues of material concern to generators.

APPrO submits that it should be eligible for costs on the following grounds:

(a) APPrO Represents a Class of Consumers in this Proceeding: New principles, rules and procedures that may result from this proceeding could have material impact on the business conditions faced by generators and on the procedures followed by electricity distributors and transmitters in providing services to generators. Therefore, notwithstanding s. 3.05 of the Practice Direction, special circumstances exist that would warrant an award of costs pursuant to section 3.07 of the Practice Direction.

(b) It is in the Public Interest to Facilitate Generator Participation: APPrO's members are building and planning new projects in response to OPA procurement programs and consequent contracts and Ministerial Directives that incorporate provincial policy objectives. Given that the issues in the present proceeding are likely to include "generator issues," the Board should facilitate the participation of generators in order to provide the best evidentiary basis for its determination. Many of APPrO's members are too small to participate individually in a meaningful way in this proceeding. APPrO's participation facilitates the involvement of such members, and ensures that the Board has before it a comprehensive representation in this proceeding from the power generator community.

(c) APPrO's Participation Contributes to Hearing Efficiency: APPrO's representation of its members in such a proceeding would be a much more effective and efficient regulatory approach than having each of its members make their own interventions, with attendant duplication and extra costs. APPrO has participated similarly in numerous electricity hearings (e.g. Transmission Project Development Planning, transmission and distribution cost responsibility proceedings, etc.) and in natural gas proceedings (e.g., NGEIR, storage allocation, Enbridge and Union IRM proceedings).

(d) Full and informed APPrO Participation Requires Intervenor Funding: APPrO, like other trade associations such as the Association of Major Power Consumers in Ontario ("AMPCO") does not have independent funding sufficient to support efficient and effective participation in the RRFE proceedings and it would not be able to do so absent same.

The above is not an exhaustive list of APPrO's interests in this proceeding. There may be other issues of concern to APPrO that arise or develop during the proceeding. APPrO seeks at all times to retain and reflect the perspective of the generation industry as a whole, and to present a balanced view of policy issues affecting the electricity industry and the public at large in Ontario.

On the basis of the foregoing, APPrO respectfully requests that the Board approve its request to participate in the RRFE proceedings and its related cost eligibility.

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Sincerely,

A handwritten signature in black ink, appearing to read 'JB', with a stylized flourish at the end.

Jake Brooks
Executive Director

Attachment

cc: Dave Butters
Elisabeth DeMarco