

IN THE MATTER OF sections 70 and 78 of the *Ontario Energy Board Act 1998*, S.O. 1998, c. 15 (Schedule B);

AND IN THE MATTER OF a Board-initiated proceeding to designate an electricity transmitter to undertake development work for a new electricity transmission line between Northeast and Northwest Ontario: the East-West Tie line.

**INTERROGATORIES OF
RES CANADA TRANSMISSION LP
to
CANADIAN NIAGARA POWER INC.**

January 30, 2013

Interrogatory #1 Mining and Timber Rights

Reference:

- a. AltaLink: no reference to mining or timber rights in its Land Plan (Part B, Section 9) or Costs (Part B, Section 8)
- b. EWT: Part B, Exhibit 9
- c. CNPI: Part B, Section 9, page 141 of 160
- d. Iccon/TPT: no reference to mining or timber rights in its Land Plan (Volume 1, Section 9) or Costs (Volume 1, Section 8)
- e. UCT: Section B, Section 9.2, Figure 29, page 134
- f. RES: Exhibit B-1-1, page 12 of 35, lines 17-18, and page 13 of 35, lines 1-5; Exhibit B-3-2; Exhibit E-4-1, page 1 of 11, lines 5-8 and page 4 of 11, lines 15-17; Exhibit K-4-2, pages 12, 14, and 15, and Appendix A, D and E; Exhibit K-5-1, page 1 of 2, lines 17-24 and page 2 of 2, lines 25-47; Exhibit K-6-1; Exhibit L-1-1, page 4 of 4; Exhibit L-3-1, page 2.30 and Appendix C; Exhibit L-4-1, pages 11-13; Exhibit N-2-3, page 2 of 3; Exhibit N-3-3, page 2 of 7; Exhibit P-5-1, page 11 of 12

Preamble:

Although most of the applications refer to mining claims and timber rights on Crown lands as routing issues that will need to be addressed, most are silent as to how such issues will be addressed and at what cost. The cost of obtaining required consents from parties with prior mining and timber rights on Crown lands that comprise part of a proposed transmission right-of-way can be material and significant. Obtaining such consents and/or otherwise dealing with such prior rights and entitlements can take a great deal of time.

Questions:

- a. Indicate where in CNPI's application, it provides a list of registered mining claims on Crown lands along its proposed transmission route(s).
- b. Indicate where, in its application, CNPI describes its plans to accommodate parties with registered mining claims and/or timber rights on Crown Lands that comprise part of its proposed transmission right-of-way(s).
- c. Indicate where, in CNPI's application, it has estimated the cost of obtaining the consent and other permissions that would be required from parties who

- hold registered mining claims and/or timber rights on Crown Lands that comprise part of its proposed transmission right-of-way(s)?
- d. Are the costs referred to in “c” above, included in:
- (i) CNPI’s development cost estimate; and/or
 - (ii) CNPI’s construction cost estimate?
- e. Indicate where, in its application, CNPI describes its experience negotiating with parties who hold registered mining claims and/or timber rights on Crown Lands.
- f. Indicate in which project phase – development, leave-to-construct or construction – CNPI intends to negotiate consent agreements with parties who hold registered mining claims and/or timber rights on Crown lands that comprise part of its proposed transmission right-of-way(s).

Interrogatory #2 Pre-Selection of EPC Contractor

Reference(s):

- a. Part A, Section 2, page 19 of 160, lines 1-8
- b. Part A, Section 2, page 21 of 160, lines 25-27 and page 22 of 160, lines 1-6
- c. Part A, Section 4, page 48 of 160, lines 1-26

Preamble:

CNPI has identified TRC Engineers (“**TRC**”) as one of the third parties it has engaged to assist with the Project. The application describes TRC’s capabilities to provide Owner’s Engineer and EPC services and indicates that CNPI “plans to contract with TRC Engineers for design and engineering services at each phase of the project.” Such services typically comprise major components of a project’s development and construction costs which, ultimately, are capitalized and become part of a utility’s rate base.

Questions:

- a. Did CNPI use a competitive process to select TRC to provide Owner’s Engineer and EPC services with respect to the East-West Tie line?
- b. Explain why CNPI pre-selected TRC, prior to completing development work on the East-West Tie line and prior to finalizing the design and scope of work.

Interrogatory #3 Route Alternatives

Reference(s):

- a. Part B, Section 9.3, page 137 of 160, lines 30-31
- b. Part B, Section 9.3, page 138 of 160, lines 1-9
- c. Part B, Section 9.4, page 143 of 160, lines 21-29
- d. Part B, Section 9.4, page 144 of 160, lines 1-23
- e. Part B, Section 9.4, page 146 of 160, map
- f. Appendix U

Preamble:

CNPI has considered the reference route (parallel to the existing East-West transmission line) and has also identified an alternate route that bypasses Pukaskwa National Park, along Highway 17 and northeast of Wawa. The alternative route traverses less rugged areas with better access, relative to the reference route. CNPI's application states that "the alternate route will be cost effective."

Questions:

- a. What are CNPI's development and construction cost estimates for the alternative route?
- b. What changes to:
 - (i) project schedule;
 - (ii) land acquisition plan;
 - (iii) environmental assessment plan; and
 - (iv) permitting plan;

would be required if CNPI were to choose the alternate route as opposed to the reference route?