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APPrO

ASSOCIATION OF
POWER PRODUCERS
OF ONTARIO

June 17, 2013

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
27th Floor
2300 Yonge St
Toronto, ON
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**Re: Proposed Amendments to the Transmission System Code and the Distribution System Code
Board File No. EB-2011-0043**

APPrO is pleased to provide comment in response to the Board's letter dated May 17th, 2013. APPrO commends the Board on its organization and support of the Planning Process Working Group whose report provides the basis for many of these proposed code amendments. That Working Group comprised the OPA, a range of transmitters and distributors, and representatives of generators, consumers and municipalities and OEB staff. The opportunity for the direct engagement of these representatives and for their broader consultations with their companies and constituency groups adds substance and credibility to their report.

APPrO supports the OEB's intention that the Planning Process Working Group remain in place to monitor and consider the need for revisions to the process, and looks forward to understanding more specific plans for this.

APPrO's comments primarily relate to the proposed TSC amendments arising from the Working Group report. We also have comments on the "refund issue" as it relates to generation connection.

We have not commented separately on the DSC. We note that some of the proposed TSC amendments may also need to be reflected in corresponding sections of the DSC.

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We also note that some of these comments may also be relevant in the context of the separate proceeding initiated by the Board in respect of proposed OPA licence amendments.

Our specific comments are related to specific lines in the code as set out in the appendix below. We would be pleased to provide any required clarification or to discuss the issues raised.

Sincerely,

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

Jake Brooks
Executive Director

cc: Chris Cincar
Dave Butters
Rob Cary

Appendix
Ontario Energy Board
Proposed amendments to the Transmission System Code
EB-2011-0043

Specific changes proposed by APPrO

Part A; Regional Planning

3C.1.1 Definitions

“regional planning” and “needs assessment”

Needs assessment is conceptually an input into the “... *planning process.... For the determination whether a Regional Infrastructure Plan and / or an Integrated Regional Resource Plan is required*” It is really part of this “regional planning” process and not part of the “regional infrastructure planning process”.

3C.2.1 Transmitter obligation

It is suggested that the “needs assessment” be separately identified in this section as follows: “... *lead a needs assessment and any required regional infrastructure planning process ...*”

3C.2.2 Needs Assessment

Paragraphs (e) to (g) of section 3C.2.2 should be renumbered as separate sections, so that 3C.2.2 would relate specifically to the Needs Assessment phase.

new 3C.2.3: Scoping Process

The Scoping Process is in our view a material part of the regional planning process.

The Working Group report indicated that the Scoping Process would be undertaken by the OPA in collaboration with transmitters and distributors. The transmitter should be obliged to provide requested assistance and support to the OPA in the Scoping Process.

We note the following passage in section 2, page 15 of the Working Group report:

“For each of the study areas, the Scoping Process Outcome Report will indicate the proposed study approach and provide a list of the distributors to be involved. This report will be made available for public review with an opportunity for comments. Comments received will be considered by the study team prior to a final decision on the study approach for the various sub-regions. All study team participants will sign off on the final Regional Planning Approach.”

The posting of the draft Scoping Process Outcome Report for stakeholder comment is also shown in the chart on page 13 of the Working Group report.

This posting for stakeholder / public comment is in our view one of the key and fundamental stages of the regional planning process. It will allow refinement of the report before final decisions are made on IRRP or RIP processes, and it will add greatly to the social licence embedded in any subsequent plans. While we recognize that the process is led by the OPA, the engagement and support by relevant transmitters and distributors is essential, and they have an obligation with respect to sign-off on the final decision. These aspects at least should be reflected in the TSC (and DSC) amendments.

It is presumably the date of this signed-off Scoping Process Outcome Report from which the six month RIP timeline is measured.

3C.2.2 (e), now 3C.2.4

Within this proposed section 3C.2.4, there will be many instances in which the OPA determines that “.. *the electricity needs of a region should be met ... in part by investments in transmission facilities ...*” In some instances, this may be a matter quickly determined by the OPA, but in many instances the particular parts to be played by CDM, generation, and infrastructure will only be determined later in the OPA’s IRRP process. This section would therefore better be separated into two sections, one of which addresses the case in which no IRRP is required, and the transmitter can immediately proceed as described to the RIP process, and the second of which addresses the case where the RIP work is dependent on OPA advice that is a product of the IRRP process.

3C.2.2 (f) and (g)

It is suggested that these sections be renumbered as 3C.2.5 and 3C.2.6 respectively.

Part B; Refund Issue

6.3.17 and subsequent sections relating to connection cost allocation

APPrO supports the extension to 15 years of the capital contribution refund principle in respect of new capital contributions, and proposes that capital contributions by generators should be subject to similar refund in the event that generator connection facilities funded by capital contribution are re-purposed also to provide service to load. In that case (a) the economic value of the load revenue for the applicable connection service should be credited to the generator that has funded the asset being utilized, and (b) the new connecting party should be assessed capital contribution on the basis of its share of capacity utilized and this also should be for the benefit of the generator that has funded the asset.