

Ontario Energy Board

Transmission Connection Cost Responsibility Review

*Revised Proposed Amendments to the Transmission System
Code*

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Ontario Power Authority Comments

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The Ontario Power Authority (OPA) continues to support the Board's initiative to address obstacles facing development of renewable energy resources, and notes that these efforts are also consistent with the objective of the *Green Energy and Green Economy Act* (Bill 150) to increase renewable energy generation in Ontario. The OPA looks forward to participating in the Ontario Energy Board's (OEB) future processes to develop further mechanisms or measures in the Transmission System Code (TSC) to facilitate Bill 150 goals. The OPA is pleased that the OEB acknowledges that further changes to the TSC may be necessary if Bill 150 is passed by the Legislature.

In particular, the OPA would support further changes to the TSC that recognize the significant role that real world information from the Feed-in Tariff (FIT) program will play in the planning of Ontario's transmission system. This information about where generators wish to develop renewable generation facilities will be a key input informing planners as to the location of the best renewable resource clusters. It will allow planners to assess whether new enabler lines are required and whether some currently planned enabler lines continue to be required.

Throughout this proceeding, the OPA has maintained that further flexibility in identifying renewable resource clusters is appropriate, recommending in the previous round of comments the broadening of the definition of renewable resource clusters such that interested parties may apply to the OEB seeking designation of a particular geographic area as a renewable resource cluster subject to enabler treatment under the TSC.

In its submission in this proceeding dated December 1, 2008, the OPA recommended that a third alternative be added to the definitions of "enabler facility" and "renewable resource cluster" in proposed sections 2.0.28A and 2.0.57A of the TSC such that interested parties may apply to the OEB seeking designation of a particular geographic area as a renewable resource cluster subject to enabler treatment under the TSC.

Such flexibility is of even greater importance now, with the possible passage of Bill 150.

Determination of Capital Contributions

The OPA supports the OEB's proposal that the generator's pro-rata share of the cost of the enabler facility is to be determined based on the depreciated cost of the facility at the time of the generator's connection. Clearly, it would be inappropriate to allow for the transmitter's double-recovery of the depreciation expense that has already been recovered through rates.

Conclusion

The OPA continues to support the OEB's initiatives in this regard. The OPA looks forward to the opportunity to comment on the OEB's proposals to address the consequences of Bill 150, if the Bill is passed by the Legislature.