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Susan Frank

Vice President and Chief Regulatory Officer
Regulatory Affairs

BY COURIER

September 25, 2009

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street
P.O. Box 2319
Toronto, ON.
M4P 1E4

Dear Ms. Walli:

**EB-2008-0003 – OEB Transmission Connection Cost Responsibility Review
Hydro One Networks' Comments on the Proposed amendments to the Transmission System Code**

Hydro One Networks Inc. (“Hydro One”) has reviewed the proposed amendments to the Transmission System Code (the “Code”) and offers the following comments.

The OPA’s Role

Hydro One agrees with the Ontario Energy Board's (the “Board’s”) view, as reflected in the proposed amendments, that the Ontario Power Authority (the “OPA”) would have an ongoing planning role in the identification of renewable resource clusters and, hence, of enabler facilities.

Transmission System Plan

It is Hydro One’s expectation that the review and approval of a transmitter’s transmission system plan for renewable generation (or “Green Energy Plan”) would take place as part of the transmitter’s rate application proceeding. Although the rate application would include all transmission projects, those projects that are associated with enabler facilities would be specifically identified as such in the Green Energy Plan.

The proposed amendments contemplate that a connection facility would qualify as an enabler facility where it is identified as such, and the associated renewable resource cluster is identified as such, in a transmission system plan approved by the Ontario Energy Board (the “Board”). Hydro One expects that, prior to identifying an enabler facility in its transmission system plan, a transmitter would normally

consult and work collaboratively with the OPA and reflect the OPA's input in its transmission system planning.

Screening Criteria

Hydro One accepts the proposed screening criteria treatment for a transformation facility – where only the minimum capacity (and not the minimum length) criterion is applied. However, Hydro One respectfully suggests that, for purposes of the screening criteria only, a line facility that is associated with a transformation facility should also be recognized to be part of such facility, and thus be subject to the same screening criteria as the transformation facility.

Security Deposit

Hydro One recommends that the proposed amendments be clarified to state in section 6.3.10A that “a transmitter *shall* not require a security deposit in relation to the construction of an enabler facility,” consistent with the determination on page 12 of the Board's Notice dated April 15, 2009.

Sincerely,

ORIGINAL SIGNED BY SUSAN FRANK

Susan Frank