

THE BOARD OF DIRECTORS

Chair, GAIL REGAN President, Cara Holdings Ltd.

President, PATRICIA ADAMS
MAX ALLEN
Producer, IDEAS, CBC Radio
GEORGE CONNELL
President Emeritus, University of Toronto
ANDREW COYNE
Journalist
LAN GRAY
President, St. Lawrence Starch Co.

Secretary/Treasurer, ANNETTA TURNER DAVID NOWLAN
Professor Emeritus, Economics, University of Toronto CLIFFORD ORWIN
Professor of Political Science, University of Toronto ANDREW ROMAN
Barrister & Solicitor, Miller Thomson
MARGARET WENTE
Columnist, Globe and Mail

October 10, 2007

VIA EMAIL & VIA COURIER

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge St, Suite 2701 Toronto ON M4P 1E4

Dear Ms. Walli:

Board File No. EB-2007-0050 Hydro One Networks Inc. Leave to Construct Application Energy Probe – Technical Conference Questions

Pursuant to Procedural Order No. 3, issued July 11, 2007, please find attached 10 hard copies of the written Technical Conference Questions of Energy Probe Research Foundation (Energy Probe). An electronic version of Energy Probe's Questions will be provided in PDF format.

Energy Probe wishes to apologize for missing the Board's target date for filing written questions to Hydro One.

Should you require additional information, please do not hesitate to contact me.

Yours truly,

David S. MacIntosh Case Manager

cc: Glen MacDonald, Hydro One Networks Inc. (By email)
James H. Smellie, Osler, Hoskin and Harcourt LLP (By email)
Gordon Nettleton, Osler, Hoskin and Harcourt LLP (By email)
Tom Adams, Energy Probe Research Foundation (By email)

Energy Probe Research Foundation 225 BRUNSWICK AVE., TORONTO, ONTARIO M5S 2M6

Phone: (416) 964-9223 Fax: (416) 964-8239 E-mail: EnergyProbe@nextcity.com Internet: www.EnergyProbe.org

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B) (the "Act");

AND IN THE MATTER OF an Application by Hydro One Networks Inc. pursuant to section 92 of the Act, for an Order or Orders granting leave to construct a transmission reinforcement project between the Bruce Power Facility and Milton Switching Station, all in the Province of Ontario.

ENERGY PROBE RESEARCH FOUNDATION ("ENERGY PROBE")

TECHNICAL CONFERENCE QUESTIONS OF HYDRO ONE NETWORKS INC.

October 10, 2007

HYDRO ONE NETWORKS INC. BRUCE TO MILTON LEAVE TO CONSTRUCT

EB-2007-0050

Energy Probe Research Foundation:

Technical Conference Questions to HONI

Ouestion #1

Ref: Exhibit B/Tab 6/Schedule 5/Appendix 3, p. 3

Issue Number: 1.1

Issue: Has the need for the proposed project been established?

Please provide a condition assessment for the Bruce Special Protection System.

Question # 2

Ref: Exhibit B/Tab 3/Schedule 1, Figure # 1

Issue Number: 1.1

Issue: Has the need for the proposed project been established?

Figure #1 from the OPA indicates that generation is bottled in the Bruce Area between 2007 and 2012.

- A) Please explain the role historically of the Bruce Heavy Water plants relative to the historic need for transmission capacity to the Bruce Nuclear Power Development and the impact on current need with the retirement and decommissioning of the heavy water facilities on site.
- B) For each year from now until 2012, please quantify the bottled generation expected.
- C) Please indicate how bottled generation is allocated between generator interests and the financial responsibilities of all parties involved in bottled generation in the Bruce Area.

- D) Please confirm that the proposed transmission system design for both the interim measures and new build is designed to accommodate the full nameplate capacity of installed generation in the Bruce Area.
- E) Please provide load duration curves for the wind and nuclear generation capacity in the Bruce Area reflecting recent production experience.

Question #3

Ref: Exhibit B/Tab 3/Schedule 1

Issue Number: 1.3

Issue: Have all appropriate project risk factors pertaining to the need and

justification been taken into consideration in planning this project?

- A) Please provide a summary of the content and timing of consultations between Hydro One and the parties negotiating the contract that lead to the return to service of the Bruce Units 1 and 2 and also the Renewables RFP 1 and RFP 2 related to the transmission requirements associated with these projects.
- B) Please indicate the disposition of liability in the event that series compensation, shunt capacitors, generation rejection, or other measures related to Bruce circuits results in transmission service interruption, transmission damage, or damage to the property of market participants.
- C) Please indicate all instances of series compensation being used on networked power transmission systems serving nuclear power stations elsewhere in the world and any salient features of these systems relevant to the proposed use of series compensation in this application.
- D) Please indicate all involvement, including but not limited to reporting to, approvals from, or requirements, from the Canadian Nuclear Safety Commission relative to the proposed use of generation rejection, series compensation, capacitors, or other technical measures for Bruce Area circuits.

Question #4

Ref: Exhibit B/Tab 6/Schedule 1, p. 3 and,

Exhibit B/Tab 6/Schedule 5/Appendix 1, p. 4

Issue Number: 1.3

Issue: Have all appropriate project risk factors pertaining to the need and

justification been taken into consideration in planning this project?

Please indicate all NERC and NPCC approvals required for the new build element of the project and the process by which these approvals have been or will be obtained.

Question # 5

Ref: Exhibit B/Tab 3/Schedule 1, p. 1

Issue Number: 3.1

Issue: Are the proposed near term and interim measures as outlined in the

application appropriate?

A) What evaluation criteria were applied to the consideration of alternative near term and interim measures?

- B) What alternatives were considered and how did each perform relative to the evaluation criteria?
- C) What is the cost and schedule for the measures adopted?

Question #6

Ref: Exhibit B/Tab 3/Schedule 1

Issue Number: 3.1

Issue: Are the proposed near term and interim measures as outlined in the

application appropriate?

A) Please indicate whether in Hydro One's opinion, the use of series compensation creates any system or equipment risks for parties other than Hydro One.

B) If the answer to A is positive, please summarize these risks.

Question #7

Ref: Exhibit J/Tab 1/Schedule 84

Issue Number: 3.1

Issue: Are the proposed near term and interim measures as outlined in the

application appropriate?

Given that ABB is a consultant on the design of the near term and interim measures, please comment on whether ABB satisfies Hydro One's conflict requirements with respect to offering to sell products or services to the near term and interim measures project, or whether ABB is limited in its potential participation in further non-consulting roles with the project.