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May 31, 2010

VIA COURIER AND RESS

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

Dear Ms. Walli:

**Re: OEB Staff Discussion Paper on Transmission Project Development
Planning (EB-2010-0059)**

Please find enclosed three paper copies of Ontario Power Generation Inc.'s (OPG's) submissions in connection with the OEB Staff Discussion Paper on Transmission Project Development Planning dated April 19, 2010.

If there are any questions, please contact me at (416) 592-5419 or Tony Petrella at 416-592-3036.

Yours truly,

[Original signed by]

Barbara Reuber

Encl.

EB-2010-0059

IN THE MATTER OF the Ontario Energy Board's Consultation to Develop a Process to Facilitate Transmission Project Development in Ontario.

**Submissions of
Ontario Power Generation Inc.**

May 31, 2010

OPG has reviewed the Transmission Project Development Planning Discussion Paper prepared by OEB (Board) staff. This Discussion Paper presents a process to facilitate the development of major transmission facilities that may be required to connect renewable generation in Ontario. The issues covered by the Discussion Paper are of importance to OPG since it is currently developing a number of remote renewable generation projects that will need to be connected to the transmission system in a timely fashion to accommodate in-service dates early in the next decade.

OPG has participated in APPrO's stakeholder review of the Discussion Paper. While APPrO has not yet finalized its submissions, based on discussions and review of its draft submission, OPG generally supports the submissions of APPrO.

OPG supports the Board staff proposal to use the transmitter designation framework developed for "enabler lines" for major new transmission network facilities. OPG participated in the development of the "enabler lines" process and the required amendments to the Transmission System Code and is familiar with the proposed framework. The proposed process, if managed appropriately, has the potential to accelerate the development of transmission network expansions, to increase the certainty of new transmission projects, and to allow the Board to consider competing proposals.

OPG wants to insure that the process allows for 1) timely transmission development, 2) a timely and efficient regulatory review of transmission development proposals, and 3) the recognition and regulatory support for transmission projects that have already been initiated by transmitters.

Timely transmission development is important to project developers like OPG. A process that assures cost recovery by the transmitter and allows the transmission project to quickly move to the Leave-to-Construct phase of the project is a positive and necessary step.

An efficient regulatory review of transmission development proposals will provide certainty that projects will proceed in a timely fashion. Central to the Board's proposed process is the outcome of the Economic Connection Test (ECT) under development by the Ontario Power Authority (OPA). To OPG's knowledge, stakeholders have not yet been involved in the development of the ECT. While the Discussion Paper proposes to accept the outcome of the ECT as filed without substantive examination, there should be provision for some review where circumstances warrant it. OPG encourages the Board to communicate to the OPA, in a transparent manner, its expectations with regard to the ECT.

OPG submits that transmission projects that have already been initiated by transmitters should be recognized and should not be delayed by the proposed process. There should be an expectation that existing projects would be identified for expedited development without going through the Board designation or the ECT process. In these cases, the existing transmitter should be the designated transmitter.

In summary, OPG encourages the Board to continue developing the implementation process for transmitter designation of network expansion projects. OPG believes the priority should be to develop detailed processes as quickly as possible to create an environment that facilitates the timely and economically efficient connection of renewable generation facilities.

All of which is respectfully submitted.

[Original signed by]

Barbara Reuber
Director, Ontario Regulatory Affairs