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APPrO
ASSOCIATION OF
POWER PRODUCERS
OF ONTARIO

June 17, 2010

Ms Kirsten Walli
Board Secretary
Ontario Energy Board
27th floor
2300 Yonge St.
Toronto, Ontario
M4P 1E4

Re: Ontario Energy Board
EB-2010-0002 HONI 2011-2012 Transmission Revenue Requirement and Rates

Dear Ms Walli,

I am writing to request intervenor status in this proceeding. APPrO has been involved in a number of Hydro One transmission rate cases in the past.

APPrO is a non-profit organization representing electricity generators in Ontario. Our members produce nearly all the power generated in Ontario from facilities of many types including gas-fired, hydro-electric, nuclear and wind energy. The great majority of APPrO members are customers of HONI, as defined in the Transmission System Code, and APPrO therefore has a major interest in this proceeding.

APPrO expects to limit its intervention to issues of material impact on generators.

APPrO submits that it should be eligible for costs on the following grounds:

- (a) APPrO Represents Consumers in this Proceeding: Power generators are "Transmission Customers" as defined in the Ontario Transmission Rate Schedules. However, in the normal course of business, generators are relatively small Transmission Customers (in terms of transmission revenues), except when they are off-line for maintenance or emergency reasons and the generator draws power from the grid. Unlike load customers, connection costs that

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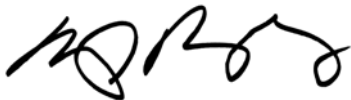
generators pay to HONI are typically very significant up-front investments for generation projects. In some cases, they are determinative as to whether a generation project is economically viable. In addition, many of the transmission facilities under consideration in this proceeding are such that their existence and timing will affect the viability of a wide range of potential new generation projects across the province.

- (b) It is in the Public Interest to Facilitate Generator Participation: APPrO's members are building and planning new projects in response to OPA procurement programs (and consequent contracts) and Ministerial Directives that incorporate provincial policy objectives. Much of the transmission development that is currently planned or underway at Hydro One is related to accommodating new generation. Given that the issues in the present proceeding are to a large extent "generator issues," the Board should facilitate the participation of generators in order to provide the best evidentiary basis for its determination. Many of APPrO's members are too small to participate individually in a meaningful way in this proceeding. APPrO's participation facilitates the involvement of such members, and ensures that the Board has before it a comprehensive representation in this proceeding from the power generator community.
- (c) APPrO's Participation Contributes to Hearing Efficiency: APPrO's representation of its members in such a proceeding would be a much more effective and efficient regulatory approach than having each of its members make their own interventions, with attendant duplication and extra costs. APPrO has participated similarly in numerous natural gas proceedings (e.g., NGEIR, storage allocation, Enbridge and Union IRM proceeding).
- (d) Proper APPrO Participation Requires Intervenor Funding: APPrO, like other trade associations such as the Association of Major Power Consumers in Ontario ("AMPCO") and the Industrial Gas Users Association ("IGUA"), does not have independent funding sufficient to support well rounded participation.

Although the Board's Practice Direction on Cost Awards states that generators are normally among the parties not eligible for costs (section 3.05(b)), APPrO submits that, for the above-noted reasons and the nature of the issues in this proceeding (and their importance to generators), the Board make an exception to the general rule that electricity generators are not eligible for costs. APPrO is essentially asking for the Board to exercise its discretion in the same manner as it did in respect of the Transmission Connection Cost Responsibility Review and several recent natural gas proceedings that had unique impacts on power generators (i.e., NGEIR, storage allocation, etc.).

We would be happy to provide further information related to this request. We look forward to your response.

Yours sincerely,

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

Jake Brooks
Executive Director

Cc

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