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Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto M4P 1E4

Re: OPA Application for License Renewal – EB-2010-0220

Dear Ms. Walli:

The City of Toronto appreciates the opportunity to comment on the Ontario Power Authority's ("OPA") licensing renewal application. We raise two concerns that are having or likely could have an adverse impact on the City's efforts to implement its sustainable energy plan adopted by Toronto City Council on November 30, 2009.

1. Timely Disclosure of Tier 1 Province-Wide Conservation Demand Management Program

Section 25.2(1) of the Ontario Electricity Act sets forth the objectives of the OPA as including the conducting of independent planning for conservation and promoting electricity conservation and the efficient use of electricity. Moreover, Section 25.12 of the Electricity Act calls on OPA to develop processes to foster advice and recommendations from interested stakeholders, presumably in connection with initiatives developed to satisfy these objectives. As the Ontario Energy Board knows, one such conservation initiative has been the development of the OPA-Contracted Province-Wide Conservation Demand Management ("CDM") Programs that is referenced repeatedly in the Ontario Energy Board's (the "Board") recently adopted CDM Code for Electricity Distributors (EB-2010-0215) (the "OEB Code") and is often referred to as the "Tier 1" conservation programs stemming from the Green Energy and Green Economy Act 2009 ("GEA").

Tier 1 programs need to be sufficiently detailed before electricity distributors and interested parties such as municipalities can then develop Tier 2 and Tier 3 programs in connection with the same GEA conservation effort without duplicating Tier 1 programs, as the OEB Code requires. The City of Toronto is concerned that, apart from an April 2010 stakeholder session held shortly after the Ministerial directive from March 31, 2010, OPA has not provided fuller disclosure of the details of the final Tier 1 programs despite looming OEB Code deadlines for Tier 2 and Tier 3 program proposals. The withholding of such details significantly hinders the ability of the City to design with its local electricity distribution company, Toronto Hydro, any new Tier 3 CDM programs or proposals for the 2011-2014 cycle, and to engage the Board in advance on whether such initiatives would qualify for

approval. The delay also prevents proper planning of financial resources and infrastructure investments. Although OPA is not seeking in its license renewal application to limit or change its obligation to develop Tier 1 programs, such license renewal is part of assuring that OPA is acting in accordance with the spirit if not the letter of the Electricity Act.

Consequently, the City asks that the Board consider this issue of untimely disclosure of the final Tier 1 programs that dilutes the stakeholder input requirements in Section 25.12 as the Board reviews OPA's application. Perhaps the Board can condition renewal of OPA's license on release by a date certain of sufficient details about the program with sufficient opportunity for meaningful public engagement. Moreover, in light of this precarious situation, the Board should consider generally, pursuant to its authority under Section 70 of the Ontario Energy Board Act, permanently conditioning OPA's license on compliance with CDM responsibilities that includes deadlines for issuing program proposals and obtaining meaningful stakeholder input.

2. Integrated Power System Planning Process

In Section 10.1 of its license, OPA proposes replacing the requirement to develop and submit an Integrated Power System Plan ("IPSP") at least once every three years with a more flexible standard to do so only "as frequently as required by regulation." The IPSP is an important tool for guiding the Province in assuring adequate and reliable energy supply, including electricity supply from alternative and renewable energy sources. *See* Electricity Act, ss. 25.2(1)(i); 25.30(1). It also provides direction for the City of Toronto on whether and how to devote resources and funding not only for internal energy efficiency, renewable generation, and related infrastructure projects but also City services that support the work of projects undertaken by other energy actors. The more frequently an IPSP is made available, the better the City can prepare.

The rapid changes that energy supply in Ontario has been undergoing and will continue to undergo as a result of phasing out coal, bringing more renewable sources on line, and upgrading and replacing infrastructure together demands that there be certainty in how often new IPSPs are submitted. The current requirement in Section 10.1 for OPA to submit an IPSP every three years provides such certainty. By contrast, OPA's proposal for a more open-ended approach of linking the IPSP submission to a regulatory timetable that can be amended does not provide the same adequate and reliable electricity supply planning that the Electricity Act requires. Consequently, the City would propose that Section 10.1 remain unchanged or, at the very least, reflect all the options of Section 25.30(1) of the Electricity Act.

In sum, both the untimely disclosure of the OPA's Tier 1 programs and the proposed changes to section 10 of the OPA's licence are problematic. They compromise the principles underlying the Electricity Act and the Ontario Energy Board Act and limit the Board's ability to fulfill new responsibilities under the GEA, namely:

1. The promotion of renewable energy, including the timely connection of renewable energy projects to transmission and distribution systems;
2. The promotion of conservation and demand management; and
3. The facilitation of the implementation of a smart grid.

Should you have any questions or require any further information, please telephone or e-mail me.

Yours sincerely,



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