

Suite 3000 79 Wellington St. W. Box 270, TD Centre Toronto, Ontario M5K 1N2 Canada Tel 416.865.0040 Fax 416.865.7380

www.torys.com

December 6, 2010

RESS, EMAIL & COURIER

Ontario Energy Board P.O. Box 2319 27th Floor 2300 Yonge Street Toronto ON M4P 1E4

Attention: Ms. K. Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2010-0253 -- Reply Submission of Plateau Wind Inc. in Support of its Application under Section 41(9) of the *Electricity Act*, 1998

We are counsel to Plateau Wind Inc. ("Plateau") in the above noted proceeding. In accordance with the Ontario Energy Board's Procedural Order dated October 29, 2010 and the Board's letter dated November 17, 2010, please find enclosed Plateau's submission in reply to the submissions of the Municipality of Grey Highlands ("Grey Highlands") dated November 25, 2010 and in support of Plateau's application for an order or orders pursuant to section 41(9) of the *Electricity Act*, 1998 (as amended) establishing the location of Plateau's distribution facilities within certain public rights-of-way, streets and highways owned by Grey Highlands.

Please feel free to contact me with any questions.

Yours truly,

Tyson Dyck

Tel 416.865.8136 Fax 416.865.7380 tdyck@torys.com

CC:

D. Timm, Plateau

C. Keizer, Torys LLP

D. Best, Grey Highlands

E. Veldboom, Russell, Christie LLP

ONTARIO ENERGY BOARD

EB-2010-0253

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

AND IN THE MATTER OF an application by Plateau Wind Inc. for an Order or Orders pursuant to section 41(9) of the *Electricity Act*, 1998 (as amended) determining the location of Plateau's distribution facilities within certain road allowances owned by the Municipality of Grey Highlands, Ontario.

REPLY SUBMISSION OF PLATEAU WIND INC.

DECEMBER 6, 2010

INDEX

<u>Tab</u>	<u>Title</u>	Page
1	Index	2
2	Reply Submissions	3
	1.0 The Distribution System	3
	2.0 Summary Argument	4
	3.0 Plateau is a Distributor	5
	4.0 The Board's Overarching Regulatory Regime	7
	5.0 Renewable Energy Generation Facilities	9
	6.0 The Green Energy Act Amendments	12
	7.0 Other Arguments of Grey Highlands	14
	8.0 The Rights of Plateau Under Section 41	15
	9.0 Order Sought	17

1	ONTARIO ENERGY BOARD
2 3	EB-2010-0253
4 5 6 7	IN THE MATTER OF the Ontario Energy Board Act, 1998, S.O., c. 15 (Sched. B);
8 9 10 11 12 13	AND IN THE MATTER OF an application by Plateau Wind Inc. for an Order or Orders pursuant to section 41(9) of the <i>Electricity Act, 1998</i> (as amended) determining the location of Plateau's distribution facilities within certain road allowances owned by the Municipality of Grey Highlands, Ontario.
14	
15	REPLY SUBMISSION OF PLATEAU WIND INC.
16	
17	In accordance with the Ontario Energy Board's Procedural Order dated October 29, 2010
18	and the Board's letter dated November 17, 2010, Plateau Wind Inc. ("Plateau") makes
19	this written submission in support of its application for an order or orders pursuant to
20	section 41(9) of the Electricity Act, 1998 (as amended) (the "Electricity Act")
21	establishing the location of Plateau's distribution facilities within certain public rights-of-
22	way, streets and highways owned by the Municipality of Grey Highlands ("Grey
23	Highlands") and in reply to the submissions of Grey Highlands dated November 25, 2010
24	(the "Grey Highlands Submissions").
25	1.0 THE DISTRIBUTION SYSTEM
26	Plateau owns and will operate the generation and distribution assets of the Plateau Wind
27	Energy Project (the "Project"). In addition to wind turbines, the Project will involve a 44
28	kilovolt ("kV") overhead and underground electrical power distribution system (the

- 1 "Distribution System"), which is necessary to transport the electricity generated from
- 2 each turbine to the existing 44 kilovolt ("kV") local distribution system of Hydro One
- 3 Networks Inc. ("HONI") and ultimately to the IESO-controlled grid. Plateau has chosen
- 4 to locate certain power lines, poles and other facilities associated with the Distribution
- 5 System within certain public rights-of-way, streets and highways owned by Grey
- 6 Highlands and more particularly identified in Appendix A to Plateau's November 8, 2010
- 7 Submission (the "Plateau's First Submission").

8 2.0 SUMMARY ARGUMENT

- 9 In the Grey Highlands Submissions, Grey Highlands argues that no aspect of the Project
- meets the definition of "distributor" under the Electricity Act, and therefore that Plateau
- cannot take advantage of the rights afforded to distributors under the section 41 of the
- 12 Electricity Act.² However, Grey Highlands' argument is premised on an incorrect
- interpretation of the Electricity Act in which no component of a "renewable energy
- generation facility" can be a "distribution system", as those terms are defined.
- 15 Contrary to Grey Highlands' position, Plateau is clearly a distributor, as that term is
- defined in the Electricity Act. Plateau is also exempt from the distribution licensing
- 17 requirement in section 57(a) of the Ontario Energy Board Act, 1998, as amended (the
- "OEB Act" and, together with the Electricity Act, the "Acts"). Furthermore, the Board's
- 19 overarching statutory regime governing distribution, generation and transmission does

¹ The Distribution System is described in more detail in Exhibit B, Tab 2, Schedule 1 and Exhibit B, Tab 3, Schedule 1 of the Plateau's July 30, 2010 Application.

² See, generally, paragraphs 12-24 and 63-69 of the Grey Highlands Submissions.

- 1 not treat these activities as necessarily mutually exclusive; the terms "renewable energy
- 2 generation facility" and "distributor" are not mutually exclusive; the statutory
- 3 amendments that introduced the concept of a "renewable energy generation facility" into
- 4 the Acts were not intended to create a new, independent class of comprehensively
- 5 regulated entities; and other arguments of Grey Highlands have no bearing on this
- 6 proceeding. Consequently, as a distributor, Plateau is entitled to the rights afforded to
- 7 distributors under section 41 of the Electricity Act.

8 3.0 PLATEAU IS A DISTRIBUTOR

- 9 In its November 29, 2010 submissions (the "Board Staff Submissions"), Board staff
- endorsed Plateau's First Submission by concluding the following:
- the Distribution System qualifies as a "distribution system", as such term is defined in the Electricity Act;
- 12 defined in the Diediteity Fiet,
- Plateau is a "distributor", as such term is defined in the Electricity Act;
- Plateau is exempt under section 4.0.1(1)(d) of Ontario Regulation 161/99 from the distribution licensing requirement of section 57(a) of the OEB Act; and
- Plateau has standing to bring the Application.
- 17 Indeed, the Electricity Act defines "distribution system" as a system for distributing
- electricity, including any structures, equipment or other things used for that purpose.
- 19 "Distribute", in turn, is defined as conveying electricity at voltages of 50 kV or less.
- 20 Because the Distribution System is a system used for conveying electricity at 44 kV, it is

- a "distribution system" under the Electricity Act, as well as under the OEB Act, as both
- 2 Acts use the same relevant definitions.³
- 3 Moreover, the Acts define "distributor" as a person who owns or operates a distribution
- 4 system. Plateau owns and will operate the Distribution System and is therefore a
- 5 "distributor". As a result, Plateau is entitled to the rights of distributors under section 41
- 6 of the Electricity Act, including the right, under the circumstances, to bring this
- 7 Application pursuant to Section 41(9) of the Electricity Act.⁴
- 8 Furthermore, under section 4.0.1(1)(d) of Ontario Regulation 161/99, distributors are
- 9 exempt from, among other provisions, the distribution licensing requirement in section
- 10 57(a) of the OEB Act if they (i) distribute electricity for a price no greater than that
- required to recover all reasonable costs and (ii) with respect to a distribution system
- 12 owned or operated by a distributor that is also a generator, distribute electricity solely for
- the purpose of conveying it to the IESO-controlled grid. This exemption applies to
- 14 Plateau for the following reasons:

15

16

17

18 19

20

21

• Plateau will distribute electricity for a price no greater than that required to recover all reasonable costs. In fact, Plateau will not charge any price for its distribution of electricity. Contrary to Grey Highlands' assertions⁵, it is irrelevant that Plateau will profit from the sale of generated electricity; the exemption in section 4.0.1(1)(d) requires that such electricity be *distributed* at a price no greater than that required to recover all reasonable costs. Grey Highlands appears to confuse the distribution of electricity with the sale of electricity as a commodity.

³ For further discussion of the application of these definitions, see Section 2.0 of Plateau's First Submission and Exhibit B, Tab 2, Schedule 1, Page 1 of the Application.

⁴ For further details on the disagreement regarding the location of the Distribution System within the Road Allowances that gave rise to this Application, see Exhibit B, Tab 5, Schedule 1 of the Application.

⁵ In particular, see the assertions in paragraphs 27-30 of the Grey Highlands Submissions.

- Further contrary to Grey Highlands' assertions⁶, it is also irrelevant that Plateau is incorporated under the *Business Corporations Act*, as Plateau's legal structure has no bearing on whether it will recover any costs for its distribution of electricity.
- Plateau is a distributor that will also be a generator, which is defined as a person who owns or operates a system for producing electricity.
- Finally, Plateau will use the Distribution System solely for conveying the electricity generated by the Turbines to the HONI distribution system and ultimately to the IESO-controlled grid.⁸
- 9 Thus, contrary to the incorrect conclusion of Grey Highlands, Plateau is a distributor that
- 10 is entitled to an exemption from the OEB Act's distribution licensing requirement.⁹ That
- 11 Plateau is exempt from the license requirement as a distributor in part because Plateau is
- also a generator confirms that the Acts contemplate situations where a distributor can also
- 13 be a generator.

14 4.0 THE BOARD'S OVERARCHING REGULATORY REGIME

- 15 The OEB Act establishes the overarching regulatory regime of the Board to license, and
- thereby to condition the ownership and operation of, generation, distribution and
- 17 transmission. By incorrectly basing its submissions on the mutual exclusivity of these
- concepts¹⁰, Grey Highlands has ignored the Board's fundamental jurisdiction to regulate
- 19 the activities of transmission, distribution and generation. Under the regulatory regime, if
- a person (as that term is defined under the OEB Act¹¹) carries on any one of these

⁶ In particular, see the assertion in paragraph 29 of the Grey Highlands Submission.

⁷ See the definitions of "generation facility", "generate" and "generator" in section 56 of the OEB Act.

⁸ For further detail on the Distribution System, see Exhibit B, Tab 2, Schedule 1 and Exhibit B, Tab 3, Schedule 1 of the Application.

⁹ See also Exhibit B, Tab 2, Schedule 1, Page 1 of the Application.

¹⁰ In particular, see paragraphs 14-20, 65 and 67-69 of the Grey Highlands Submissions.

¹¹ See, in particular, section 1(1) of O. Reg. 161/99.

1 activities, then that person will require a license unless certain exemptions apply. The 2 OEB Act is therefore structured so that the carrying out of a prescribed activity defines 3 the person and its regulatory rights and obligations. If a person owns or operates a 4 system for distributing electricity below a certain voltage, then that person is a distributor 5 and is subject to the legislative obligations of a distributor. Moreover, even if a person is 6 exempt from the distribution licensing requirement, the character of the person's activity 7 does not change; the person remains a distributor given that it must be a distributor to 8 even fall within the section 4.0.1(1)(d) exemption. As noted above, this is the case for 9 Plateau. 10 Furthermore, there is nothing stated within Section 57 of the OEB Act that would directly 11 or indirectly permit the interpretation that there is mutual exclusivity in respect of being a 12 generator, distributor or transmitter. As a result, a person (as such term is defined under 13 the OEB Act) can theoretically carry on the activities of owning and operating a 14 distribution system, as well as generating, and thereby trigger the licensing requirements 15 for both activities unless otherwise exempted from those requirements. As noted above, Plateau satisfies the conditions set out in section 4.01(1)(d) of Ontario 16 17 Regulation 161/99 and is thereby exempt from section 57(a), among other provisions, of 18 the OEB Act. The wording of section 4.01(1)(d) itself clearly demonstrates that a person 19 can be both a distributor and a generator; it indicates that the exemption applies to a 20 "distributor" that, among other criteria, is also a "generator" and distributes electricity 21 solely for the purpose of conveying it to the IESO controlled grid. The section does not

- 1 somehow change a distributor into a generator; rather, it provides an exemption for
- 2 certain persons that carry out both activities. If a distributor did not meet the conditions
- 3 of the exemption, then that distributor would still be a distributor, but one that was
- 4 subject to the section 57(a) licensing requirement, the other provisions from which
- 5 section 4.01(1) exempts certain distributors and all of the other obligations of a
- 6 "distributor" under the Acts. If one were to adopt Grey Highlands' incorrect
- 7 interpretation of the licensing requirements¹², a person that owned or operated a
- 8 distribution system to carry out the activity of distribution could, by virtue of that system
- 9 being associated with or ancillary to a renewable energy generation facility, fall not only
- outside of the section 4.01(1)(d) exemption, but also outside of the broader regulatory
- regime governing the activity of distribution. As discussed further below, this incorrect
- interpretation of the Acts should be rejected.

13 5.0 RENEWABLE ENERGY GENERATION FACILITIES

- 14 The Project does fit the Electricity Act's definition of "renewable energy generation
- 15 facility". This is because of the following:
- Under the Electricity Act, "renewable energy generation facility" means "a generation facility that generates electricity from a renewable energy source and that meets such criteria as may be prescribed by regulation and includes associated or ancillary equipment, systems and technologies as may be prescribed by regulation"
- The Project will generate electricity from wind, a renewable energy source.
- Section 1(4) of Ontario Regulation 160/99 prescribes certain equipment for the purpose of the definition, including "transmission or distribution lines of less than

.

¹² In particular, see paragraphs 21 to 26 of the Grey Highlands Submissions.

- 50 kilometres in length that are associated with or ancillary to a renewable energy generation facility".
- Section 1(5) of Ontario Regulation 160/99 states that, for the purposes of section 1(4), "[a] distribution line is associated with or ancillary to a renewable energy generation facility if the line is used to distribute electricity within the facility or from the facility to the distribution system of the distributor in whose distribution service area the renewable energy generation facility is located."
- The Distribution System involves distribution lines of less than 50 km in length that are used to distribute electricity from the facility to the distribution system of HONI, in whose service area the Project is located.
- However, contrary to the arguments of Grey Highlands¹³, "renewable energy generation
- facility", "distributor", "generator" and "transmitter" are not mutually exclusive terms.
- Given the Board's overarching regulatory regime, this must be the case because Grey
- Highlands' interpretation would lead to a result where the rights and obligations of
- "distributors" would not apply with respect to the ownership or operation of the
- distribution systems associated with or ancillary to renewable energy generation
- facilities, leaving those systems essentially unregulated. Indeed, according to Grey
- Highlands, the owner or operator of a "renewable energy generation facility" cannot also
- be a distributor with respect to certain components of that facility because the terms are
- 20 mutually exclusive. As a result of that interpretation, the provisions of the Acts
- 21 applicable to distributors would not apply with respect to the distribution components of
- 22 a renewable energy generation facility. Importantly, because there is no provision in the
- Acts prohibiting generators from distributing electricity¹⁴, the owner or operator of a

¹³ See, for example, paragraphs 15-16 and 24 of the Grey Highlands Submissions.

¹⁴ There is a restriction on the business activity of transmitters and distributors in section 71 of the OEB Act, provided those transmitters and distributors do not fall within the exemptions in 4.0.2 and 4.0.1, respectively, of O. Reg. 161/99. There are also certain exceptions to section 71 of the OEB Act, including exceptions that contemplate distributors owning and operating generation facilities.

- 1 renewable energy generation facility, using Grey Highlands' logic, could deliver
- 2 electricity not only to the grid but also to end-use customers without triggering the
- 3 requirement for a distribution license.
- 4 In this regard, it is noteworthy that the section 4.01(1)(d) exemption is conditioned on,
- 5 among other things, the distribution being "solely" for the purpose of conveying
- 6 electricity to the IESO-controlled grid, whereas section 1(4) or (5) of Ontario Regulation
- 7 160/99, which prescribe certain distribution lines for the purpose of the definition of
- 8 "renewable energy generation facility", do not require the prescribed lines to convey
- 9 electricity "solely" to the grid. As a result, according to Grey Highlands' position, a
- renewable energy generation facility could carry out the activity of distribution, but not
- be subject to the Board's oversight in that regard, even if it distributed electricity to end-
- use customers. This is the very circumstance that section 4.01(1)(d) prevents by limiting
- the exemption to distributor-generators that distribute electricity "solely" for the purpose
- of conveying that electricity to the IESO-controlled grid. A person that distributes
- electricity for any other purpose would lose the exemption; consequently, unless
- exempted elsewhere, the person would become subject to all of the regulatory provisions
- applicable to both generators and distributors.
- 18 Therefore, given the consequences of Grey Highlands' position, the Grey Highlands
- 19 Submissions should be rejected. Although Plateau does fit the definition of a renewable

- 1 energy generation facility, it remains a generator and a distributor. The argument of Grey
- 2 Highlands, which interprets these terms as mutually exclusive, leads to a result where a
- 3 renewable energy generation facility could engage in the activity of distribution,
- 4 potentially even distributing electricity to end-use customers, without any OEB oversight
- 5 of that activity. Such an interpretation would essentially uproot a fundamental part of the
- 6 Board's overarching regulatory jurisdiction, even though that jurisdiction is explicitly set
- 7 out in the Acts.

8 6.0 THE GREEN ENERGY ACT AMENDMENTS

- 9 When the Green Energy and Green Economy Act, 2009 (the "Green Energy Act") came
- into force, 15 it amended various existing statutes, including the Acts. In doing so, it
- amended section 1(1) of the OEB Act to require the Board, in carrying out its
- responsibilities under the OEB Act or any other legislation in relation to electricity, to be
- guided by the objective of promoting "the use and generation of electricity from
- renewable energy sources in a manner consistent with the policies of the Government of
- Ontario, including the timely expansion or reinforcement of transmission systems and
- distribution systems to accommodate the connection of renewable energy generation
- 17 facilities." The Board must therefore be guided by this objective, among others, in
- 18 deciding the Application
- 19 In amending the Acts, the Green Energy Act added the same definition of renewable

¹⁵ The act received Royal Assent on May 14, 2009, with some provisions coming into force at a later date.

- 1 energy generation facility to each one. 16 However, the Green Energy Act amendments
- 2 did not create an entire regulatory framework for renewable energy generation facilities.
- Rather, the amendments introduced only limited provisions with respect to these
- 4 facilities. Those provisions added to the Electricity Act primarily concern the access
- 5 rights of renewable energy generation facilities to transmission and distribution
- 6 systems. ¹⁷ The OEB Act contains even fewer provisions using the term. ¹⁸
- 7 Such a limited use of the term renewable energy generation facilities is consistent with
- 8 the Government of Ontario's Explanatory Note that accompanied the Green Energy
- 9 Act. 19 That note, in summarizing the Green Energy Act amendments to the Electricity
- Act, uses the term "renewable energy generation facilities" primarily in summarizing (i)
- the Minister's authority to direct the Ontario Power Authority to facilitate the
- development of such facilities and (ii) the right of priority access to transmission and
- distribution facilities. The Explanatory Note does not suggest that the concept was
- introduced to supplant or substantially supplement the regulatory regime governing
- 15 generators, transmitters and distributors.
- 16 If, by introducing the concept of renewable energy generation facilities, the Ontario
- 17 legislature meant to create a new, independent category of comprehensively regulated
- entities, its intention in that regard would likely have been clearly expressed. However,
- 19 the legislature did not express that intention. If the legislature meant to express that the
- 20 distribution components of a renewable energy generation facility cannot be a

¹⁶ See section 3 of the OEB Act and section 2(1) of the Electricity Act.

¹⁷ See Part III of the Electricity Act -- in particular, sections 25.36 and 26.

¹⁸ See, for example, sections 71(3) and 88(1).

¹⁹ See the Explanatory Note accompanying the Royal Assent version of Bill 150, S.O. 2009, C. 12.

- distribution system, as Grey Highlands asserts²⁰, it could have simply excluded
- 2 "distribution lines associated with or ancillary to renewable energy generation facilities"
- 3 from the Acts' definition of distribution system.
- 4 In sum, nowhere do the Acts expressly state that renewable energy generation facilities,
- 5 generation facilities, transmission systems and distribution systems are mutually
- 6 exclusive terms. The Ontario legislature has had the opportunity to amend the Acts in
- 7 this way but has not done so, instead continuing to maintain its regulatory regime for
- 8 governing the activities of distribution, generation and transmission. Moreover, the Act's
- 9 limited use of the concept of renewable energy generation facilities does not suggest the
- legislature meant to create a new, independent class of comprehensively regulated
- entities. Finally, accepting Grey Highlands' interpretation is in conflict with the Board's
- objective of promoting the use and generation of electricity from renewable energy
- 13 sources.

14 7.0 OTHER ARGUMENTS OF GREY HIGHLANDS

- 15 Other arguments set out in the Grey Highlands Submission are incorrect. For example,
- 16 contrary to Grey Highlands' assertion²¹, section 26 of the Electricity Act does not apply
- 17 to distributors that are exempted from the distribution licensing requirement in section
- 18 57(a) of the OEB Act.²² Furthermore, contrary to Grey Highlands' contention²³, absent a

²⁰ In particular, see paragraphs 30-31 of the Grey Highlands Submissions.

²¹ In particular, see paragraphs 34-35 of the Grey Highlands Submissions.

²² The reason for the exemption is section 2.2.1 of O. Reg. 160/99, which states, "Sections 26 and 28 of the [Electricity] Act do not apply to a transmitter or distributor that is exempted from clause 57 (a) or (b) of the *Ontario Energy Board Act, 1998* by section 4.0.1, 4.0.2 or 4.0.3.2 of Ontario Regulation 161/99.

²³ In particular, see paragraph 38 of the Grey Highlands Submissions.

- 1 license condition, there is no requirement for distributors to comply with the Distribution
- 2 System Code ("DSC").²⁴ Grey Highlands' discussion of certain provisions of the DSC,
- 3 including the definition of distribution system and the requirement for conditions of
- 4 service, is therefore irrelevant to unlicensed distributors such as Plateau, as the DSC does
- 5 not govern their distribution systems. Finally, in its submissions²⁵, Grey Highlands
- 6 makes reference to certain sections in the *Power Corporation Act* and the *Public Utilities*
- 7 Act. These sections have been repealed and pertain to a former regulatory regime that is
- 8 no longer in place. The relevant intention of the legislature is evidenced in the provisions
- 9 of the Acts that replace, where applicable, the referenced sections in the *Power*
- 10 Corporation Act and Public Utilities Act.

11 8.0 THE RIGHTS OF PLATEAU UNDER SECTION 41

- 12 Grey Highlands contends that, if the Province of Ontario had intended to grant special
- 13 privileges to entities that produce electricity and introduce that electricity into the IESO-
- controlled grid with respect to the use and occupation of municipal roads, the legislature
- should have included language to that effect in the Electricity Act. ²⁶ In fact, the
- legislature did include such language in section 41 of the Electricity Act.
- 17 Under section 41 of the Electricity Act, Plateau has the right to locate the Distribution
- 18 System within the Road Allowances and the right to bring this Application. These rights
- arise because Plateau, as the owner and operator of the Distribution System, is a

²⁴ Under section 70.1(1) of the OEB Act, the Board has authority to issue certain codes, explicitly including the DSC, that can be incorporated by reference as a condition of a Board-issued license. In practice, as a license condition, the Board requires licensed distributors to comply with the provisions of the DSC.

²⁵ In particular, see paragraphs 47-53 of the Grey Highlands Submissions.

²⁶ In particular, see paragraphs 5-11 and 63 of the Grey Highlands Submissions.

distributor as defined in the Electricity Act.²⁷ Pursuant to subsections 41(1) and 41(5) of 1 2 the Electricity Act, all distributors, regardless of whether they are licensed, may construct 3 or install such distribution facilities within any public streets or highways without the 4 consent of the owner of or any other person having an interest in such streets or highways -- in this case, Grey Highlands.²⁸ In the event that a distributor and the owner of the 5 6 chosen public streets or highways cannot agree to the exact location of the distribution 7 facilities within such public streets or highways, section 41(9) of the Electricity Act states that the Board shall determine such location.²⁹ 8 9 Because of the limited scope of section 41(9), and because Plateau and Grey Highlands 10 have been unable to agree to the exact location of the Distribution System within the Road Allowances, the only issue before the Board is determining that location.³⁰ The 11 12 Board acknowledged its limited jurisdiction in Procedural Order No. 1 dated October 29, 13 2010, in which the Board stated that section 41(9) of the Electricity Act "limits the 14 Board's role in this proceeding to determination of the location of Plateau's proposed 15 distribution facilities within the prescribed road allowances owned by Grey Highlands. It 16 is not the Board's role in this proceeding ... to consider alternative routes for the 17 distribution facilities that are outside of the prescribed road allowances."

²⁷ The Electricity Act defines a distributor as "a person who owns or operates a distribution system."

²⁸ Section 41(1) states, "A transmitter or distributor may, over, under or on any public street or highway, construct or install such structures, equipment and other facilities as it considers necessary for the purpose of its transmission or distribution system, including poles and lines."

Section 41(5) states, "The exercise of powers under subsections [41] (1), (2) and (3) does not require the consent of the owner of or any other person having an interest in the street or highway."

²⁹ Section 41 (9) states: "The location of any structures, equipment or facilities constructed or installed under subsection (1) shall be agreed on by the transmitter or distributor and the owner of the street or highway, and in case of disagreement shall be determined by the Board."

³⁰ For further details on the disagreement on the location of the Distribution System within the Road Allowances, see Exhibit B, Tab 5, Schedule 1, Pages 2-6 of the Application.

- 1 Grey Highlands disputes this conclusion, asserting that if the Province had intended to
- 2 extend to the owners of renewable energy generation facilities the special privilege of
- 3 locating their works on, across, under or upon public streets, it could have done so
- 4 through the enactment of the Green Energy Act or through consequential amendments to
- 5 the Electricity Act. 31 However, as discussed above, Plateau is a distributor, as such term
- 6 is defined in the Acts, and the Green Energy Act's introduction of the concept of
- 7 renewable energy generation facilities has no bearing on that fact. The Province need not
- 8 have extended the rights under section 41 to renewable energy generation facilities
- 9 because it never intended those facilities to be a new, independent category of
- 10 comprehensively regulated entities. As such, section 41 clearly establishes the rights of
- distributors, including Plateau, to use public streets and highways to construct and install
- their distribution facilities.

13 **9.0 ORDER SOUGHT**

- 14 Contrary to Grey Highlands' assertions, Plateau is a distributor under the Electricity Act
- and is therefore entitled to the rights of distributors in section 41 of that Act. The terms
- and conditions of Plateau's proposed location for the Distribution System within the
- 17 Road Allowances, as set out in Part 3.0 of Plateau's First Submission, are reasonable.³²
- In particular, for the reasons set out in the Application and Plateau's First Submission,
- 19 there is carefully considered rationale behind that location and there are no feasible

³¹ In particular, see paragraph 64 of the Grey Highlands Submission.

³² See in particular Section 3.0 (pages 5-7) of Plateau's First Submission.

alternatives.³³ Importantly, throughout this proceeding, neither Grey Highlands nor any 1 2 other observer has disputed the proposed location of the Distribution System within the 3 Road Allowances. 4 Plateau therefore requests that the Board, pursuant to section 41(9) of the Electricity Act, 5 issue an order or orders establishing the location of the Distribution System within the 6 Road Allowances owned by Grey Highlands. More particularly, Plateau requests that the 7 Board issue an order or orders establishing such location in accordance with the location 8 and the terms and conditions proposed in Part 3.0 of Plateau's First Submission. 9 10 DATED at Toronto, Ontario, this 6th day of December, 2010. 11 12 All of which is respectfully submitted by: 13

PLATEAU WIND INC.

By its counsel,

1415

³³ See in particular Section 4.0 (pages 8-12) of Plateau's First Submission and Exhibit B, Tab 4, Schedule 1, Page 1; Exhibit B, Tab 3, Schedule 1, Page 2; and Exhibit B, Tab 6, Schedule 1 of the Application.