

EB-2010-0279 EB-2010-0331 EB-2010-0332

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

**AND IN THE MATTER OF** a Submission by the Ontario Power Authority to the Ontario Energy Board for the review of its proposed expenditure and revenue requirements and the fees which it proposes to charge for the year 2011;

**AND IN THE MATTER OF** an application by Hydro One Brampton Networks Inc. for an Order or Orders granting approval of initiatives and amounts related to the Conservation and Demand Management Code;

**AND IN THE MATTER OF** an application by Hydro One Networks Inc. for an Order or Orders granting approval of initiatives and amounts related to the Conservation and Demand Management Code;

**AND IN THE MATTER OF** a Notice of Motion by the Ontario Sustainable Energy Association for review of the Board's Procedural Orders No. 1 and Cost Eligibility Decisions issued on December 13, 2010 and December 21, 2011;

**AND IN THE MATTER OF** Rules 42, 44 and 45 of the Board's *Rules of Practice and Procedure*.

### NOTICE OF HEARING AND PROCEDURAL ORDER NO. 2 (REVISED)

On December 13, 2010, the Board issued its Procedural Order No. 1 and Cost Eligibility Decision (the "OPA Cost Eligibility Decision") in relation to the Ontario Power Authority's ("OPA") 2011 revenue requirement application (EB-2010-0279).

On December 21, 2010, the Board issued its Procedural Order No. 1 and Cost Eligibility Decision (the "Hydro One Cost Eligibility Decision") in relation to the combined proceeding to hear Hydro One Networks Inc. and Hydro One Brampton Networks Inc. Board-Approved CDM Program applications (EB-2010-0331/0332).

On January 10, 2011, the Board received two Notices of Motion from the Ontario Sustainable Energy Association ("OSEA") seeking a review of the Boards' OPA Cost Eligibility Decision and the Hydro One Cost Eligibility Decision (collectively, the "Notices of Motion"). The Notices of Motion are attached to this Notice of Hearing and Procedural Order as Appendix A. OSEA requested that the hearings of all motions be combined on the basis that there is a substantial overlap of the grounds in each Motion for Review.

The Board has determined that the most efficient process to handle these Motions for Review is to hear them together by way of a written hearing.

The Board considers it necessary to make provisions for the following procedural matters related to this proceeding. Further procedural orders may be issued from time to time.

#### THE BOARD THEREFORE ORDERS THAT:

- If the Ontario Sustainable Energy Association wishes to file any materials or submissions in addition to those filed with its Notices of Motion, it may file some with the Board, and serve copies on the Ontario Power Authority, Hydro One Networks Inc., Hydro One Brampton Networks Inc. and all other parties in both EB-2010-0279 and EB-2010-0331/0332 on or before Friday, January 28, 2011.
- Board Staff, the Ontario Power Authority, Hydro One Networks Inc. and Hydro One Brampton Networks Inc. may file written submissions, if any, and serve copies on the Ontario Sustainable Energy Association, the Ontario Power Authority, Hydro One Networks Inc., Hydro One Brampton Networks Inc. and all other parties in both EB-2010-0279 and EB-2010-0331/0332 on or before Friday, February 11, 2011.
- 3. The Ontario Sustainable Energy Association may file reply written submissions, if any, with the Board, and serve copies on the Ontario Power Authority, Hydro One Networks Inc., Hydro One Brampton Networks Inc. and all other parties in

both EB-2010-0279 and EB-2010-0331/0332 on or before **Tuesday**, **February 22**, **2011**.

If you have a user ID, please submit your submission through the Board's web portal at <a href="https://www.errr.oeb.gov.on.ca">www.errr.oeb.gov.on.ca</a> in searchable/unrestricted PDF format. Please use the document naming conventions and document submission standards outlined in the RESS Document Guideline found at <a href="https://www.oeb.gov.on.ca">www.oeb.gov.on.ca</a>. You may also send your submission by e-mail to the following address: <a href="mailto:boardsec@oeb.gov.on.ca">boardsec@oeb.gov.on.ca</a>. Additionally, two paper copies are required and should be sent to the addresses below. Those who do not have Internet access are asked to submit their submissions on a CD in PDF format, along with seven paper copies by 4:45pm on the date indicated, and copy all parties. Parties must also include the Case Manager, Josh Wasylyk <a href="mailto:josh.wasylyk@oeb.gov.on.ca">josh.wasylyk@oeb.gov.on.ca</a> and Board Counsel, Michael Millar <a href="michael.millar@oeb.gov.on.ca">michael.millar@oeb.gov.on.ca</a> on all electronic correspondence related to this case.

#### **Ontario Energy Board**

P.O. Box 2319 2300 Yonge Street, 27<sup>th</sup> Floor Toronto, ON M4P 1E4

Attn: Kirsten Walli Board Secretary

Tel: 1-888-632-6273 (Toll free)

Fax: 416-440-7656

**DATED** at Toronto January 20, 2011

ONTARIO ENERGY BOARD

Original signed by

Kirsten Walli Board Secretary

### **APPENDIX A**

Notices of Motion as filed by the Ontario Sustainable Energy Association

EB-2010-0279

EB-2010-0331 EB-2010-0332

#### **ONTARIO ENERGY BOARD**

**IN THE MATTER OF** sections 25.20 and 25.21 of the *Electricity Act, 1998*;

**AND IN THE MATTER OF** a Submission by the Ontario Power Authority to the Ontario Energy Board for the review of its proposed expenditure and revenue requirements and the fees which it proposes to charge for the year 2011;

#### NOTICE OF MOTION

(Motion for Review of Board Decision on Cost Eligibility issued December 13, 2010)

THE INTERVENOR, Ontario Sustainable Energy Association ("OSEA"), will make a motion pursuant to Rules 7.01, 8.02, 41, 42, and 44 of the Board's Rules of Practice and Procedure, for review of the Board's Decision on Cost Eligibility (Cost Eligibility Decision) issued on December 13, 2010, in relation to OSEA's application to be considered eligible for an award of its costs in this Proceeding (OSEA's Cost Eligibility Claim).

PROPOSED METHOD OF HEARING: OSEA requests an oral hearing and that the hearing of this motion be combined with the hearing of the motion for review filed by OSEA in EB-2010-0331 and EB-2010-0332 on the basis that there is a substantial overlap of the grounds in each motion for review.

#### THE MOTION IS FOR:

1 An Order,

- that OSEA's Cost Eligibility Claim complies with the Board's criteria for awarding costs in the Board's Practice Direction on Cost Awards (Practice Direction)
- (b) varying the Cost Eligibility Decision to determine that OSEA is eligible for a cost award in this Proceeding
- (c) abridging the time for filing and serving this motion
- (d) costs of this motion, and
- (e) such further and other relief as OSEA's Counsel may request and this Board deem just.

#### THE GROUNDS FOR THE MOTION ARE:

- OSEA is an intervenor in this Proceeding and should be eligible for an award of costs in accordance with Rule 41 of the Board's Rules of Practice and Procedure (Rules) and in accordance with the Practice Direction.
- OSEA asks the Board to extend or abridge the time limit for submitting such a motion for review in accordance with Rule 7.01. The Cost Eligibility Decision was released in mid-December prior to holidays and at a difficult time to obtain instructions. OSEA acted in as timely a manner as possible to bring this motion.
- The Board erred and exceeded its jurisdiction in determining that OSEA is not eligible for a cost award in the Cost Eligibility Decision, in breach of the

Board's duty of fairness to OSEA and in wrongful denial of OSEA's legitimate expectations that the Board will comply with its own rules and principles concerning cost awards.

- The Board arbitrarily determined that OSEA is not eligible for a cost award in this Proceeding on three grounds:
  - (a) OSEA's members include generators, a group that is specifically excluded from cost award eligibility, except in special circumstances;
  - (b) OSEA does not represent the direct interests of consumers; and
  - (c) OSEA does not primarily represent a public interest issue.

#### 1 OSEA DOES NOT REPRESENT A GROUP OF GENERATORS

- 5 Rule 41 and criterion 3.05 (b) from the Practice Direction provide that the following parties are not eligible for costs:
  - transmitters, wholesalers, generators, distributors, and retailers of electricity, either individually or in a group.
- The logic for excluding generators is that they can recover their prudently incurred costs through the regulatory process in their rates, fees or through the cost of doing business. This is not the case for OESA's members.
- 7 Criterion 3.05(b) from the Practice Direction excludes "generators...in a group", or a group of generators from being eligible for a cost award. As OSEA

has consistently indicated in its submissions, OSEA is not a group of generators.

OSEA has members that propose to generate renewable energy under a procurement contract granted by the OPA, just as the Canadian Manufacturers & Exporters (CME) has members that are entitled to apply to become generators under the OPA FIT program, among other procurement programs.

- We further submit that the Board should make an exception to its cost eligibility criteria for OSEA, based on the unique circumstance that OSEA has few generator members.
- To this end we provide the following information supported by the attached table at Appendix A. Only six of the over 75 organizational members of OSEA, representing thousands of individuals, are generators. These six have a combined in-service capacity of just over 20 MW with the one single member accounting for 18.5 MW (Sky Power Limited) and a second accounting for 1.6 MW (Schneider Power). These two members provide valuable capacity building support to OSEA members who are seeking to become generators and should not be viewed as the reason to exclude OSEA for eligibility in the Practice Direction.
- Moreover, of the other four members who are generators, one is a religious community, another is a non-profit co-operative organization, another third generates electricity for educational and testing purposes and the fourth is a family farm based initiative for a 10Kw solar project. While 14 other members are hoping to become generators in the future only three specific projects have

been identified: two are 10 MW and one is 67 MW. It will be some time before these projects will be in-service.

#### 2 OSEA REPRESENTS DIRECT INTERESTS OF CONSUMERS

Please refer to paragraphs 8 to 10 of the motion for review filed by OSEA in EB-2010-0331 and EB-2010-0332 for OSEA's arguments respecting OSEA's representation of the direct interests of consumers.

### 3 OSEA UNIQUELY REPRESENTS THE PUBLIC INTEREST OF RENEWABLE ENERGY

Please refer to paragraphs 11 to 15 of the motion for review filed by OSEA in EB-2010-0331 and EB-2010-0332 for OSEA's arguments respecting OSEA's representation of the public interest of renewable energy.

#### 3.1 OSEA'S UNIQUE PERSPECTIVE ADDS VALUE

Please refer to paragraphs 11 to 19 of the motion for review filed by OSEA in EB-2010-0331 and EB-2010-0332 for OSEA's arguments respecting the added value that OSEA brings to proceedings before the Board.

#### 4 STATUTES TO BE RELIED ON:

- (a) Ontario Energy Board Rules of Practice and Procedure
- (b) Ontario Energy Board Act, 1998, S.O. 1998, c. 15 (Schedule B), and
- (c) Statutory Powers and Procedure Act, R.S.O. 1990, c. S.22.

#### THE EVIDENCE TO BE USED AT THE MOTION:

- 14 Materials in the record of this Proceeding
- 15 Appendix A herein, and
- Such further and other evidence as Counsel may request and the Board deem just.

January 10, 2011

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Attention: Board Secretary

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AND TO: ALL REGISTERED INTERVENORS

# APPENDIX A Members of the Ontario Sustainable Energy Association

Member	Description	Generator Now	Future Generator
AgriEnergy Producers' Association of Ontario (APAO)	The main objectives of APAO are to facilitate the exchange of information and sharing of tools amongst individual members while continually promoting the development of the agri-energy sector in Ontario.	No	No
3G Energy Corp.	We are renewable energy project consultants focusing on building megawatt scale wind and solar farms for commercial, institutional investors and large emitters.	No	No
A&T Energy	A&T ENERGY will generate sustainable energy through a 100% local community owned business, contributing to the transition to 100% sustainable energy.	No	Yes
Advanced Green Technologies	Advanced Green Technologies provides renewable energy solutions by supplying the products and support for installations of the most advanced and cost effective green solutions for customers.	No	No
AgEnergy Cooperative	AgEnergy Co-operative is an independent, member-owned co-operative formed in 1988 to provide energy products and services to its members. Since being established the Co-operative has grown into Canada's largest farm energy co-operative. The membership now represents 2/3 of all greenhouse natural gas consumption in the province. That adds up to approximately 1/3 of all the heat consumed by all Ontario farm operations. Projects:  AgEnergy offers a Natural Gas Program and Electricity Program for the sale of Gas and Electricity through long-term contracts. They offer load profiling services and specific and customized solutions.	No	No

Member	Description	<b>Generator Now</b>	Future Generator
Alternate Power International	Alternate Power International (API) provides feasibility study, project design, and project construction management services to the alternate power industry. We can take your project from an idea all the way to an operating power generation system or if you only require certain services such as an environmental study, we can tailor our services to meet your needs.	No	No
AMJ Canada (Ahmadiyya Muslim Community)	Our organization aims to completely support the green initiative and believes that it is achievable through small, community-based projects. Community energy self-sufficiency is one of the aims of our organization.	Yes 2.4 kW	Considering additional solar applications
AMP Solar Group	AMP Solar Group is a photovoltaic integrator that offers commercial and industrial turnkey solutions to our community. We manage the engineers, designers and contractors as well as FIT contract details so that clients feel secure and less stressed about solar array investment.	No	No
BurlingtonGreen	BurlingtonGreen is a non-profit, non-partisan, environmental organization. Through AWARENESS raising, ADVOCACY and ACTION, we aim to mobilize individuals, groups, business and governments to make Burlington a leader in creating a healthy, environmentally responsible city. BurlingtonGreen is creating a renewable energy co-operative to develop community-based green power projects in Burlington.	No	Yes
Camerado Energy Consulting Inc.	Camerado Energy Consulting Inc. provides management consulting, strategic planning, research, negotiation, training, and public consultation services to communities with respect to energy planning, development and conservation. We work with Aboriginal communities, municipalities, community energy cooperatives, and non-governmental organizations to support collaborative community energy planning, effective intervention in environmental assessment and permitting processes, successful negotiation and issues resolution with industry, meaningful consultation with government, and informed and consensus decision-making.	No	No

Member	Description	Generator Now	Future Generator
Canada's Outdoor Farm Show & Canadian Energy Expo (COFS)	As our nation's premier outdoor agricultural showcase, Canada's Outdoor Farm Show offers "one stop shopping" for farmers and highlights the most innovative and technologically advanced agricultural products and services available.	No	No
Canadian German Chamber of Industry and Commerce Inc.	Represents German Business in Canada	No	No
Canadian Solar Industries Association (CanSIA)	CanSIA is the national trade association representing the interests of companies, governments and individuals which share an interest in solar technology. The Association works to strengthen the Canadian solar industry, increase the professionalism of companies, foster domestic and international markets, and promote the use of renewable energies.	No	No
Canadian Solar Solutions Inc.	Canadian Solar Solutions Inc. is a wholly owned subsidiary of <u>Canadian Solar Inc.</u> dedicated to the Canadian solar market. Based in Kitchener, Ontario (Canada), Canadian Solar Solutions is dedicated to providing turnkey solar solutions for <u>residential</u> , <u>commercial</u> and solar farm markets in Canada.	No	No
Canadian Union of Skilled Workers (CUSW)	Since its formation in 1999, CUSW has been challenging the idea of what a union can be. With democratic participation as the driver, CUSW members are changing the way people come together to determine their future.	No	No
CanWEA (Canadian Wind Energy Association)	The Canadian Wind Energy Association (CanWEA) is a non-profit trade association that promotes the appropriate development and application of all aspects of wind energy in Canada, including the creation of a suitable policy environment.	No	No

Member	Description	<b>Generator Now</b>	Future Generator
Centennial Energy Institute	CEI is developing a new focus on the community power sector and OSEA is the organization of choice as a non-profit association focusing on promotion, capacity building and advocacy in the community power sector. OSEA has plans to develop a community power consultancy that combines training of CP experts and with service to help CP groups get projects in the ground and a CEI would be a great partner in developing industry specific programming and gaining recognition as leaders in education in the Renewable Energy Sector.	No	For training purposes
Centre for Applied Renewable Energy	The Centre for Applied Renewable Energy (CARE) was established in 2006 to promote all forms of renewable energy. Located in Huron County in the town of Brussels, the Centre provides information services, general training and project help for those interested in renewable energy, whether it is biofuels, hydro, solar or wind.	No	No
City of Greater Sudbury	In 2003, the City of Greater Sudbury released the EarthCare Sudbury Local Action Plan – Becoming a Sustainable Community. The Plan charts a course towards reduced greenhouse gas emissions and improved environmental sustainability for the Greater Sudbury community. Increased energy efficiency and production of renewable energy are among the Plan's key objectives. These objectives continue to be pursued within Greater Sudbury's municipal operations and by the 100+ community, business and institutional partners that have also committed to implementing the EarthCare Sudbury Local Action Plan. The City of Greater Sudbury has also developed an Eco-Industrial Strategy for the future development and operation of industrial lands and businesses within the City.	No	Yes
City of Toronto, Energy Efficiency Office	The EEO investigates innovative technical mechanisms for the purchase of renewable energy, as well as testing or demonstration of new energy generation technologies, such as fuel cells.	No	No
Collingwood Properties Realty CID	Common Interest Development in Collingwood. The most common type of association of homeowners is the nonprofit mutual benefit Corporation.	No	Not at this time

Member	Description	Generator Now	Future Generator
Community Power Fund	The Community Power Fund (CP Fund) was established in 2007 to support project development activities of Ontario-based community organizations pursuing local renewable energy projects, through the provision of a number of financing instruments to support community power, including grants, loans and investment equity.	No	No
Community Renewable Energy Waterloo (CREW)	Community Renewable Energy Waterloo (CREW) is a local non-profit organization dedicated to making renewable energy accessible to the citizens of Waterloo Region. Our vision is to be a network of knowledgeable advocates, early adopters and interested citizens who initiate and support all local projects that encourage energy conservation and sustainable use of energy or materials from naturally regenerating sources such as wind, solar and earth energy.	No	No
Cote Design	Côté Design is committed to assisting small and medium-sized businesses and not-for-profit organizations with their professional communication and promotional material needs. We are dedicated to helping you and your organization create design solutions that facilitate understanding that engages your target audience and ensures memorability.	No	No

Member	Description	<b>Generator Now</b>	Future Generator
Countryside Energy Co- op	Countryside is a group of citizens in a predominantly rural environment, concerned about how we can generate clean energy to help the countryside, towns and their inhabitants. We started off as a local project, the Huron-Perth Community Power Project, which had a key goal in forming a co-operative to develop sustainable energy projects and continuing operational & management processes. The initial name originated in recognition of the Community Future Development Corporations in Huron and Perth counties who sought and obtained seed funding to kick-off the first two projects. The successor Countryside Energy Co-operative Inc is not constrained to the former boundaries and will actively pursue viable renewable energy projects in South-West Ontario. The co-operative was officially inaugurated on August 3, 2005 when the Financial Services Commission of Ontario approved the incorporation. We're a Service Cooperative, which represents an interesting alternative to public service delivery.	No	Site testing and feasibility studies ongoing for two 10 MW wind farms; Partnering with TREC to develop Lakewind.
Detroit Diesel-Allison Canada East	DD-ACE is an authorized diesel engine distributor in Eastern Canada for Detroit Diesel, MTU, Mercedes-Benz, Volvo Penta, Kubota and for Allison Transmission. Our key markets are transportation (trucks and buses), agriculture, construction, fishing, forestry, industrial, mining, oil and gas, power generation.	No	No
Earth Rangers	Earth Rangers works to educate children on how to live more sustainably. Also our base of operations, the Earth Rangers Centre is a sustainable technology demonstration centre. We are interested in working with OSEA to build a renewable hub at the ERC.	For educational purposes and testing	No
Economic Development Corporation of Wawa	Wawa is located 225 kilometres north of Sault Ste. Marie along one of the top-ten drives in Canada, following the breath-taking Lake Superior shoreline. Providing services to several communities in Northeastern Ontario, the Wawa Region covers 90,000 km2 (35,000 square miles) and contains 7,500 people living in: Chapleau, White River, Dubreuilville, and six First Nation communities including Michipicoten First Nation.	No	No

Member	Description	Generator Now	Future Generator
EfstonScience Inc.	EfstonScience supplies Canadians with Alternative Energy Products featuring GUS Vertical Axis Wind Turbines. We offer turnkey installations of Grid-Tie Solar Kits that can be part of the Ontario's Feed-In Tariff Program as well as complete, Off-Grid solar products. To truly embrace alternative power, a lifestyle and attitude change towards power must shift. EfstonScience offers ways to measure how much power is being used to increase awareness and other products that reduces consumption such as very low-wattage LED bulbs. Established in 1970, known for innovative and lead-edge products – expect the same from our Alternative Energy Division.	No	No
Enercon Canada Inc.	ENERCON places great emphasis on delivering top quality products to its customers. In addition, ENERCON feels a strong duty to ensure that its development, manufacturing, and sales processes are safe – safe for people and safe for the environment. These three key values of quality, health and safety, and environmental protection compelled ENERCON Management to formulate 7 guiding principles of company policy:	No	No
EnergyAdvocate.ca	EnergyAdvocate.ca: a consultancy firm focused on providing solutions for the solar industry. Many of the programs and policies are being used successfully by Ontario schools and Boards in particular. "My focus is to educate and thus empower the community. It's not lack of funds that may prevent us from doing the right thing. It's lack of will that would fail us." "Our strengths are the ability to design the right system for the client, and sometimes more importantly, the ability to find funding for the client. Unique approaches to both facets of what is needed to make it work to produce energy and economy."	No	No

Member	Description	<b>Generator Now</b>	Future Generator
EthoSolar	EthoSolar is committed to providing farmers/land-owners throughout Ontario the opportunity to both invest in and share the vision for clean, renewable energy by installing solar PV systems on their properties. We are passionate about seeing the individual land-owner able to participate in the new initiatives through the Green Energy Act. We believe that if the average Ontarian can contribute to the generation of sustainable energy, they will be all the more committed to the vision for a future of 100% clean and renewable energy.	No	No
EvolutionGreen.com	EvolutionGreen is a hub of expertise for corporations, governments, and community groups to get connected with experts who can inspire, engage and enable stakeholders in conversations and solutions about sustainability.	No	No
Farmers for Economic Opportunity	Farmers for Economic Opportunity (FEO) is a self-governing, grassroots organization made up of local area farmers who are committed to family farms and rural communities in southwestern Ontario. Their mission is to strengthen Ontario's agricultural economy through rural-based and community driven, renewable energy production.  FEO goals include the creation of environmentally friendly, responsibly planned and community supported energy projects on Ontario farmland and adding value to farm gate returns through ownership participation in the processing and manufacturing of biofuels and community-based anaerobic digesters.	No	No
Fort Albany Power Corporation	Fort Albany Power Corporation (FAPC) is owned by Fort Albany First Nation (FAFN) and it is a non-share capital corporation. Fort Albany Power Corporation is the local distributed (LDC) of sole supplier of electricity in the community of Fort Albany, Ontario.	No	No
Generation Seven Consulting	Generation Seven is a boutique consulting firm offering professional planning, communications, and liaison <u>services</u> . We work with First Nations, Government, N.G.O.'s, and the Private Sector to facilitate sustainable development, environmental consulting, and green job creation.	No	No

Member	Description	Generator Now	Future Generator
Golden Dawn Senior Citizen's Home	Golden Dawn Senior Citizen Home is a Long Term Care Facility and Senior Citizen Apartment Complex located in the picturesque village of Lion's Head, Ontario on the shores of Georgian Bay.	No	No
Green Timiskaming Development Co- operative Inc.	Our objective is to supply 100% of our own energy from renewable sources.	No	Yes
Grid-Tie Solar	Our story begins with our family's initiative to put in a geothermal system, to heat/cool our farm. We then decided to go another step further and put 10kW of solar panels on our barn roof. We are now officially micro generators of renewable electricity for the Province of Ontario! We had such a great experience that we decided to become dealers and installers of solar panels. We have formed a partnership with Home Energy Solutions and Dave Egles. We are excited to be a part of the new move to make Ontario green!	Yes 10 kW of solar pv	No
Harbourfront Centre	Harbourfront Centre is a vibrant part of the community offering a year-round array of cultural, educational and recreational programs that appeal to people of all ages. Every year, we attract more than 12.6 million visitations, likely making Harbourfront Centre the most widely attended arts and cultural centre in Canada.	No	Possibly
Hearst and Area Economic Development Corporation	Hearst, a small rural community of 6,000 located in Northern Ontario, was born at the time of the construction of the national railway, and for more than a century since, this timber town has relied on its surrounding forests.		Hearst has vision and that to be totally selfsufficient in energy.
Helix Synergy	Helix Synergy Inc. is a Canadian and U.S. commercial wind power development company providing a range of wind power development services from consultancy and project management services to turn-key wind farm siting, construction and financing	No	No
Italian Canadian Savings & Credit Union	Italian Canadian Savings & Credit Union or IC Savings is a credit union that offers a full range of banking services including mortgages, chequing and savings accounts, retirement and investment products.	No	No

Member	Description	Generator Now	Future Generator
Kapuskasing Economic Development Corporation	Kapuskasing Economic Development Corporation (KEDC) is a catalyst for community economic development by coordinating strategic planning exercises and pursuing innovative projects. Kapuskasing is a progressive municipality, working collectively to provide the best quality of life for its bilingual community as well as growth opportunities for its business and industry sectors.	No	No
Leader Energy	Leader Energy.ca Corp. was registered October 19, 2006. The objective was to develop >20 MW's of wind energy projects in southeastern Ontario. A niche area was identified that had significant grid capacity, sufficient agricultural greenbelt, municipal bylaws in place and acceptable wind resource. We are now offering these projects to organizations that have the capacity to build, commission and operate them in a sustainable manner respecting the environment, landowners and the municipality of Clarington	No	Yes
Local Initiative for Future Energy (LIFE) Co-operative	LIFE partners with Community Renewable Energy Waterloo to deliver public education programs, and is otherwise focused on promoting community owned renewable energy assets.	No	LIFE is working on two projects, a co- operatively owned wind farm a biogas installations on local farms.
M.K. Ince & Associates	M.K. Ince and Associates (MKI) is a wind energy consulting firm offering professionally innovative, alternative solutions. Formed in 1993 as an environmental engineering firm, MKI expanded in 2000 to provide wind energy engineering services across Canada. MKI is involved in a number of wind energy projects, ranging from single turbine, community driven projects to commercial scale wind farms.	No	No

Member	Description	<b>Generator Now</b>	Future Generator
Main Street Power Company	Main Street Power is a solar development firm formed as a merger of a non-profit community development agency and a solar company. Every project we undertake has a component of community development and we aim to develop solar projects in low income areas and work with many local governments.	No	No
Mainstream Renewable Power	Our business is the development, construction and operation of wind, solar thermal and ocean current plants. We work to deliver a successful business that accelerates global progress towards a sustainable future. We know that a sustainable future is no longer a choice, it is an obligation.	No	Yes 67 MW in development
Morgan Solar	Morgan Solar's mission is to develop highly efficient, low cost solar technology. Our view is that integrating solar energy into the Ontario grid at a meaningful scale can best be achieved by making it competitive with other electrical generation technologies.	No	No
Neighbourhood Unitarian Universal Congregation	We live in a time of global warming and are witnessing the beginnings of environmental changes which may soon be irreversible. As members of the Neighbourhood Unitarian Universalist Congregation, we have a responsibility to help resolve these problems, as we are able. Half of the \$220,000 cost of the installation will be covered by an interest-free loan from the City of Toronto. The other half will be raised from donations and by issuing debentures to friends and supporters. We are issuing 110 debentures for \$1000 each at 5% interest paid annually. They can be held for up to 20 years, but NUUC reserves the right to redeem them at any time prior to maturity; holders may also choose to donate the principal at some point in return for an income tax receipt.	No	Yes Installing 20.91 kW (PV) system
New Media Architects	NMA (New Media Architects Ltd.) is a Toronto-based independent software developer (ISV) of extranets, intranets and content managed websites that give information-based organizations a highly-effective web-based communication channel	No	No

Member	Description	<b>Generator Now</b>	Future Generator
Ontario Co-operative Association	The Ontario Co-operative Association provides innovative programs and services to support its members, and strengthen and enhance the Ontario co-operative sector. These programs and services are organized according to On Co-op's four strategic areas: Lifelong Co-operative Learning; Government Relations, Communications and Member Relations and Co-operative Development	No	No
Ontario Solar Network	Ontario Solar Network, founded in March 2010, is an association comprised of individual solar energy producers, solar businesses and other stakeholders committed to the highest standards of professionalism. Ontario Solar Network mission is to advance business development for all stakeholders in the Ontario's solar industry through providing market intelligence, educational programs and networking events.	No	No
Orangeville & Dufferin County Wind Co-op	Emerging Community Power Group	No	Yes
PACE	PACE is a stakeholder relations firm that works with provincial government agencies to refine and promote sustainable policies. We have significant expertise in the energy policy field and also work with developers to create successful renewable energy projects. The vast majority of our project and policy work in the Ontario energy sector falls under the scope and intent of the GEA.	No	No
Pioneer Solar	Pioneer Solar is a leading full-service solar provider for homeowners, businesses, educational institutions, government organizations, and community cooperatives — the first company in Canada to provide solar power system design, financing, installation, and energy auditing services. Pioneer Solar takes cares of all permits and applications necessary to secure a microFIT or FIT contract.	No	No

Member	Description	Generator Now	Future Generator
Preneal Canada	PRENEAL develops, builds and operates wind farms on a long-term basis with community, municipal, regional and private partners. Our co-ownership, community-based approach to wind farming is new to North America. To maximize local economic benefits, we offer the community, landowners, wind-farm neighbours and private investors the possibility of owning a substantial amount of equity in the wind farms.	No	Only in Maritimes at present
Prince Edward County	A beautiful island adventure, Prince Edward County is a mecca for artists, nature lovers and anyone looking for a getaway for a weekend break or for life. Renowned for its sailing, fishing and giant sand dunes, The County also offers live theatre, artists studios and galleries, unique regional cuisine and a flourishing wine region.	No	No
REpower Systems Inc.	Repower Systems Inc. has been incorporated in Canada since December 2007. It is a wholly owned subsidiary of Repower Ag with offices in North Bay, Toronto, Montreal and Gaspe. <b>Our driver is to be the leading technical force in the wind industry</b>	No	No
Sarnia-Lambton Economic Partnership	Sarnia-Lambton's past and present create a solid foundation for its future. New Cleantech and Industrial Bioproducts sectors are no longer futuristic concepts - our community has worked to meld these new sectors with our tradition industries to create a well-rounded economic base and vast potential for the future.	No	No
Saturn Power	As a total solar solution supplier Saturn Power will look after every phase of your project from initial consultation to project commissioning: this includes submitting your micro-FIT application, developing a forecast of the electrical production and financial projection, helping to arrange financing if necessary, project management and installation and finally project commissioning.	No	No

Member	Description	Generator Now	Future Generator
Schneider Power	The Company has a successful track record of renewable energy development in Canada, having completed the construction of the Providence Bay Wind Farm, Manitoulin Island, Ontario in 2007.	The Providence Bay Wind Farm is an operating 1.6 MW on Manitoulin Island Ontario.	Yes new generation of projects: Arthur, Trout Creek, Innisfil and Spring Bay.
SKON Technologies	SKON Technologies is a developer of small and medium scale wind energy projects. Founded in 2004 and based in Markham, Ontario, SKON intends to help advance clean, efficient and renewable energy in Canada and provide greater economic opportunities to rural areas. Our role is to invest in new projects at the earliest stage and advance them through each phase of the development cycle until the wind farm is constructed and operational.	No	Yes
SkyPower Limited	SkyPower is Canada's leading developer of solar energy projects with an extensive pipeline of projects that represents hundreds of megawatts of potential nameplate capacity across North America. SkyPower prospects, develops, manages, finances, and owns solar energy projects from initial discovery stages through to commercial operation.	Yes 18.5 MW	Yes
Sun Run	Sun Run Inc. is an alternate energy developer working with individuals to develop more electricity from solar.	No	No
Sustainable Ottawa Community Energy Co- operative*	Sustainable Ottawa Community Energy Co-Op is a community based non-profit organization. Our mission is to make sustainable technologies, products and services more accessible and economically viable to people within the NCR. We do so through increasing public awareness of sustainable energy technologies (i.e. solar and wind), and by using the collective bargaining power of the Co-Op to reduce the cost of sustainable energy technologies for members of the Co-Op and the public.	No	No
Switch Kingston	SWITCH is dedicated to improving the environmental and economic sustainability of the Kingston region through promoting development and commercialization of energy efficient and alternative energy technologies, products, processes, and services.	No	No

Member	Description	Generator Now	Future Generator
Toronto Atmospheric Fund (TAF)	TAF's endowment supports local emissions reduction projects - at no expense to the taxpayer. Meanwhile, projects financed by TAF loans have saved the City \$17.5 million — over \$2.7 million annually — in cumulative energy and maintenance costs.	No	No
Toronto Renewable Energy Co-operative (TREC)	The Toronto Renewable Energy Co-operative is a non-profit, co-operative, environmental organization formed in 1998. At TREC, we are working hard to create a world in which everyone is fully aware of the link between their energy habits and environmental impacts and all people have a clear and easy choice for participating in renewable energy and conservation activities. We believed this can be accomplished by building community-based and owned renewable energy projects and educating Ontarians and visitors about renewable energy, energy efficiency and conservation and the community power model.	Yes 660 kW, wind turbine located at Exhibition Place.More than 400 Ontarians are investors and shared owners in the Windshare turbine.	TREC is also a partner in the development of the 10 MW Lakewind Power project and is developing a model for a co-operativelyowned solar model called SolarShare.
Upper Lakes Environmental Research Network (ULERN)	Engage in Partnerships to address environmental and natural resource impacts on human health.	No	No
Wikwemikong Unceded Indian Reserve	The Community of Wikwemikong has 7155 members. The Indian Reserve is situated on the eastern side of Manitoulin Island. Projects: Wikwemikong is currently developing a locally-owned wind power project on Manitoulin Island	No	Yes
Willms & Shier Environmental Lawyers LLP	Willms & Shier Environmental Lawyers LLP is an environmental, aboriginal and energy law firm. We represent First Nations and proponents seeking to start renewable energy projects and advise and guide them through the legal and regulatory requirements.	No	No

Member	Description	Generator Now	Future Generator
Wind Simplicity Inc.	Wind Simplicity is the designer and manufacturer of the high-efficiency, compact, noise free Windancer™ that helps save the environment by turning pollution-free wind energy into electricity. A revolutionary horizontal-axis wind turbine, the Windancer™ is available in 3, 7 and 23 kW. The Windancer is ideal for anywhere electricity is required where there are good wind resources, including your home, cottage, condo, school, farm or business.	No	No
Windfall Ecology Centre	Windfall Ecology Centre is an environmental non profit organization and social enterprise specializing in individual and community education and activation. Through our programs and advocacy efforts, we seek to empower individuals, community groups and governments to build sustainable communities. We design and deliver on-the-ground education, awareness and direct climate change mitigation programs. Major areas of endeavour include energy conservation, renewable energy production, water protection education and leadership development.	No	No
Windy Hills Caledon Renewable Energy	The objectives of Windy Hills Caledon are to: raise community spirit and involvement around a community owned wind-based renewable energy project, undertake studies to assess viability of the same, fundraise for professional support as appropriate for the same and raising environmental awareness in the Caledon community.	No	Yes 10 MW, 5 turbine wind project

#### **ONTARIO ENERGY BOARD**

**IN THE MATTER OF** sections 25.20 and 25.21 of the Electricity Act, 1998;

AND IN THE MATTER OF a Submission by the Ontario Power Authority to the Ontario Energy Board for the review of its proposed expenditure and revenue requirements and the fees which it proposes to charge for the year 2011;

#### **NOTICE OF MOTION**

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Counsel for the Moving Party, OSEA

#### **ONTARIO ENERGY BOARD**

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

**AND IN THE MATTER OF** an Application by Hydro One Brampton Networks Inc. for an Order or Orders granting approval of initiatives and amounts related to the Conservation and Demand Management Code;

**AND IN THE MATTER OF** an Application by Hydro One Networks Inc. for an Order or Orders granting approval of initiatives and amounts related to the Conservation and Demand Management Code.

#### NOTICE OF MOTION

(Motion for Review of Board Procedural Order No. 1 and Cost Eligibility Decision issued December 21, 2010)

THE INTERVENOR, Ontario Sustainable Energy Association ("OSEA"), will make a motion pursuant to Rules 8.02, 41, 42, and 44 of the Board's Rules of Practice and Procedure, for review of the Board's Procedural Order No. 1 and Cost Eligibility Decision (Cost Eligibility Decision) issued on December 21, 2010, in relation to OSEA's application to be considered eligible for an award of its costs in this Proceeding (OSEA's Cost Eligibility Claim).

PROPOSED METHOD OF HEARING: OSEA requests an oral hearing and that the hearing of this motion be combined with the hearing of the motion for review filed by OSEA in EB-2010-0279 on the basis that there is a substantial overlap of the grounds in each motion for review.

#### THE MOTION IS FOR:

- 1 An Order,
  - that OSEA's Cost Eligibility Claim complies with the Board's criteria for awarding costs in the Board's Practice Direction on Cost Awards (Practice Direction)
  - (b) varying the Cost Eligibility Decision to determine that OSEA is eligible for a cost award in this Proceeding
  - (c) costs of this motion, and
  - (d) such further and other relief as OSEA's Counsel may request and this Board deem just.

#### THE GROUNDS FOR THE MOTION ARE:

- OSEA is an intervenor in this Proceeding and should be eligible for an award of costs in accordance with Rule 41 of the Board's Rules of Practice and Procedure (Rules) and in accordance with the Practice Direction.
- The Board erred and exceeded its jurisdiction in determining that OSEA is not eligible for a cost award in the Cost Eligibility Decision, in breach of the Board's duty of fairness to OSEA and in wrongful denial of OSEA's legitimate expectations that the Board will comply with its own rules and principles concerning cost awards.

- 3 The Board arbitrarily determined that OSEA is not eligible for a cost award in this Proceeding on three grounds:
  - (a) OSEA is a "service provider";
  - (b) OSEA does not represent the direct interests of consumers; and
  - (c) OSEA does not primarily represent a public interest issue.

### 1 <u>"SERVICE PROVIDER" NOT A PROPER GROUND FOR DENIAL OF COST AWARD</u>

- 4 Rule 41 and criterion 3.05 from the Practice Direction provide that the following parties are not eligible for costs:
  - (a) applicants before the Board;
  - (b) transmitters, wholesalers, generators, distributors, and retailers of electricity, either individually or in a group;
  - (c) transmitters, distributors, and marketers of natural gas, and gas storage companies, either individually or in a group;
  - (d) the IESO; and
  - (e) the Ontario Power Authority.
- The term "service provider" is not defined or listed in either the Practice Direction or the Rules. The Board relies on a ground outside of the rules and principles available to it to determine eligibility for cost awards.

- Because of the potentially broad definition of "service provider", if the Board were to include "service provider" as a reason for denying eligibility for costs, numerous parties now recovering costs may be ineligible.
- If the Board is of the view that a "service provider" means a group of generators providing electricity service, please refer to paragraphs 5 to 10 of the motion for review filed by OSEA in EB-2010-0279.

#### 2 OSEA REPRESENTS DIRECT INTERESTS OF CONSUMERS

- The Board's mandate is articulated in section 1(1), paragraph 1 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15 (Schedule B) and includes protecting the interests of consumers.
- 9 In accordance with criterion 3.03(a) from the Practice Direction, OSEA primarily represents the direct interests of consumers (eg. ratepayers) in relation to regulated services.
- OSEA primarily represents individuals and non-profit/community organizations that advocate for a variety of interest groups including ratepayers.

  OSEA thereby represents the direct interests of consumers. A list of OSEA's members is attached in Appendix A, and includes the following consumers of energy:
- private citizens
- cooperatives
- farmers
- First Nations

- businesses
- institutions, and
- municipalities.

### 3 OSEA UNIQUELY REPRESENTS THE PUBLIC INTEREST OF RENEWABLE ENERGY

- The Board's mandate is articulated in section 1(1), paragraph 5 of the Ontario Energy Board Act, 1998, S.O. 1998, c. 15 (Schedule B) and includes promoting the use and generation of electricity from renewable energy sources in a manner consistent with the policies of the Government of Ontario.
- 12 In accordance with criterion 3.03(b) from the Practice Direction, OSEA primarily represents a public interest relevant to the Board's mandate.
- OSEA's members have contributed to the development of renewable energy policy in Ontario for over a decade. OSEA has participated in OEB processes since 2007. OSEA is a founding member of the Green Energy Act Alliance which successfully called on the Ontario government to introduce and pass the *Green Energy and Green Economy Act (2009)*, legislation that is substantially changing the energy landscape in Ontario.
- The Board's mandate in light of changing energy policy is well described in a recent speech by then Chair of the Board, Howard I. Wetston, to a conference held by the Ontario Energy Association on September 21, 2010:

"Since early 2009, the Board has completed a number of initiatives necessary to facilitate the advancement of the government's policy goals as expressed in the Green Energy and Green Economy Act (GEA). We are confident that we have put in place an appropriate regulatory framework that has five essential building blocks. They are:

- 1. Reforming the connection process for generators, making it more rational and efficient;
- 2. Standardizing billing and settlement processes for Feed-In Tariff (FIT) and microFIT generators;
- 3. Reforming our cost responsibility rules for renewable generation connections:
- 4. Providing guidelines on the accounting treatment of distributor-owned generation, as a non rate-regulated activity; and
- 5. Encouraging rational planning and investment to facilitate network expansion.

As such, while this framework promotes activities undertaken to fulfill the objectives contained in the GEA it might be considered as a separate policies. I prefer to look at them as more unified and encouraging a cost effective and efficient path from production to delivery to consumption.

The energy sector – not just in Ontario, but in jurisdictions around the globe – has undergone considerable change in the past 10 years. That change can be seen through the escalating importance of environmental and social goals that underpin sustainable development worldwide. In effect, "legacy" obligations remain unchanged while new policies add new layers. It is my opinion that the Board has an important responsibility to integrate these newer components into a coherent whole. Integration requires recognition of the interdependence among the issues." (Emphasis Added - Refer to Appendix B for full version)

It is this very notion that "integration requires recognition of the interdependence among the issues" that drives OSEA's interest to participate in OEB proceedings. OSEA is first and foremost a grass-roots organization where the integration of these issues is wholly manifested.

#### 3.1 OSEA'S UNIQUE PERSPECTIVE ADDS VALUE

In EB-2007-0707, (IPSP) OSEA participated with the Pembina Institute and Green Energy Coalition (consisting of the David Suzuki Foundation, EnerAct, Greenpeace, the Sierra Club and World Wildlife Federation). This was entirely

appropriate for the time and scope of the process. The Board accepted this approach its Decision on Phase 2 Cost Eligibility in EB-2007-0707 as follows:

The Green Energy Coalition, the Ontario Sustainable Energy Association, and the Pembina Institute have co-operated to hire one counsel and make one submission to the Board. The Board expects other intervenors with an interest in environmental and sustainable energy issues to co-operate with this group and each other to eliminate duplication in their presentations to the Board.

- However, as much as OSEA shares many common environmental sensibilities with these organizations, OSEA's main interest is the promotion of renewable energy in Ontario. OSEA continues to work with these organizations and will not duplicate on broad environmental matters.
- Subsequently, OSEA has worked with organizations that predominantly represent generators, notably APPRO, CanWea, CanSia, and others. While there exist some common interests, there are more differences given the predominance of large generators with substantial power system experience in Ontario or elsewhere. OSEA differs from organizations of generators by representing a wide variety of organizations that have a new interest in participation in Ontario's energy sector. OSEA's mandate goes far beyond assisting organizations in generating electricity; OSEA assists consumers and their communities to receive the best value for their energy dollars whether through conservation, efficiency, generation, district energy, or otherwise.

#### 4 STATUTES TO BE RELIED ON:

- (a) Ontario Energy Board Rules of Practice and Procedure
- (b) Ontario Energy Board Act, 1998, S.O. 1998, c. 15 (Schedule B), and
- (c) Statutory Powers and Procedure Act, R.S.O. 1990, c. S.22.

#### THE EVIDENCE TO BE USED AT THE MOTION:

- 1 Materials in the record of this Proceeding
- 2 Appendix A and Appendix B herein, and
- 3 Such further and other evidence as Counsel may request and the Board deem just.

January 10, 2011

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TO: ONTARIO ENERGY BOARD

Ontario Energy Board P.O. Box 2319

2300 Yonge Street, 27th Floor

Toronto ON M4P 1E4

Attention: Board Secretary

Filings: <a href="mailto:www.errr.oeb.gov.on.ca">www.errr.oeb.gov.on.ca</a></a>
E-mail: <a href="mailto:Boardsec@oeb.gov.on.ca">Boardsec@oeb.gov.on.ca</a>

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AND TO: ALL REGISTERED INTERVENORS

## APPENDIX A Members of the Ontario Sustainable Energy Association

Member	Description	Generator Now	Future Generator
AgriEnergy Producers' Association of Ontario (APAO)	The main objectives of APAO are to facilitate the exchange of information and sharing of tools amongst individual members while continually promoting the development of the agri-energy sector in Ontario.	No	No
3G Energy Corp.	We are renewable energy project consultants focusing on building megawatt scale wind and solar farms for commercial, institutional investors and large emitters.	No	No
A&T Energy	A&T ENERGY will generate sustainable energy through a 100% local community owned business, contributing to the transition to 100% sustainable energy.	No	Yes
Advanced Green Technologies	Advanced Green Technologies provides renewable energy solutions by supplying the products and support for installations of the most advanced and cost effective green solutions for customers.	No	No
AgEnergy Cooperative	AgEnergy Co-operative is an independent, member-owned co-operative formed in 1988 to provide energy products and services to its members. Since being established the Co-operative has grown into Canada's largest farm energy co-operative. The membership now represents 2/3 of all greenhouse natural gas consumption in the province. That adds up to approximately 1/3 of all the heat consumed by all Ontario farm operations. Projects:  AgEnergy offers a Natural Gas Program and Electricity Program for the sale of Gas and Electricity through long-term contracts. They offer load profiling services and specific and customized solutions.	No	No

Member	Description	<b>Generator Now</b>	Future Generator
Alternate Power International	Alternate Power International (API) provides feasibility study, project design, and project construction management services to the alternate power industry. We can take your project from an idea all the way to an operating power generation system or if you only require certain services such as an environmental study, we can tailor our services to meet your needs.	No	No
AMJ Canada (Ahmadiyya Muslim Community)	Our organization aims to completely support the green initiative and believes that it is achievable through small, community-based projects. Community energy self-sufficiency is one of the aims of our organization.	Yes 2.4 kW	Considering additional solar applications
AMP Solar Group	AMP Solar Group is a photovoltaic integrator that offers commercial and industrial turnkey solutions to our community. We manage the engineers, designers and contractors as well as FIT contract details so that clients feel secure and less stressed about solar array investment.	No	No
BurlingtonGreen	BurlingtonGreen is a non-profit, non-partisan, environmental organization. Through AWARENESS raising, ADVOCACY and ACTION, we aim to mobilize individuals, groups, business and governments to make Burlington a leader in creating a healthy, environmentally responsible city. BurlingtonGreen is creating a renewable energy co-operative to develop community-based green power projects in Burlington.	No	Yes
Camerado Energy Consulting Inc.	Camerado Energy Consulting Inc. provides management consulting, strategic planning, research, negotiation, training, and public consultation services to communities with respect to energy planning, development and conservation. We work with Aboriginal communities, municipalities, community energy cooperatives, and non-governmental organizations to support collaborative community energy planning, effective intervention in environmental assessment and permitting processes, successful negotiation and issues resolution with industry, meaningful consultation with government, and informed and consensus decision-making.	No	No

Member	Description	Generator Now	Future Generator
Canada's Outdoor Farm Show & Canadian Energy Expo (COFS)	As our nation's premier outdoor agricultural showcase, Canada's Outdoor Farm Show offers "one stop shopping" for farmers and highlights the most innovative and technologically advanced agricultural products and services available.	No	No
Canadian German Chamber of Industry and Commerce Inc.	Represents German Business in Canada	No	No
Canadian Solar Industries Association (CanSIA)	CanSIA is the national trade association representing the interests of companies, governments and individuals which share an interest in solar technology. The Association works to strengthen the Canadian solar industry, increase the professionalism of companies, foster domestic and international markets, and promote the use of renewable energies.	No	No
Canadian Solar Solutions Inc.	Canadian Solar Solutions Inc. is a wholly owned subsidiary of <u>Canadian Solar Inc.</u> dedicated to the Canadian solar market. Based in Kitchener, Ontario (Canada), Canadian Solar Solutions is dedicated to providing turnkey solar solutions for <u>residential</u> , <u>commercial</u> and solar farm markets in Canada.	No	No
Canadian Union of Skilled Workers (CUSW)	Since its formation in 1999, CUSW has been challenging the idea of what a union can be. With democratic participation as the driver, CUSW members are changing the way people come together to determine their future.	No	No
CanWEA (Canadian Wind Energy Association)	The Canadian Wind Energy Association (CanWEA) is a non-profit trade association that promotes the appropriate development and application of all aspects of wind energy in Canada, including the creation of a suitable policy environment.	No	No

Member	Description	<b>Generator Now</b>	Future Generator
Centennial Energy Institute	CEI is developing a new focus on the community power sector and OSEA is the organization of choice as a non-profit association focusing on promotion, capacity building and advocacy in the community power sector. OSEA has plans to develop a community power consultancy that combines training of CP experts and with service to help CP groups get projects in the ground and a CEI would be a great partner in developing industry specific programming and gaining recognition as leaders in education in the Renewable Energy Sector.	No	For training purposes
Centre for Applied Renewable Energy	The Centre for Applied Renewable Energy (CARE) was established in 2006 to promote all forms of renewable energy. Located in Huron County in the town of Brussels, the Centre provides information services, general training and project help for those interested in renewable energy, whether it is biofuels, hydro, solar or wind.	No	No
City of Greater Sudbury	In 2003, the City of Greater Sudbury released the EarthCare Sudbury Local Action Plan – Becoming a Sustainable Community. The Plan charts a course towards reduced greenhouse gas emissions and improved environmental sustainability for the Greater Sudbury community. Increased energy efficiency and production of renewable energy are among the Plan's key objectives. These objectives continue to be pursued within Greater Sudbury's municipal operations and by the 100+ community, business and institutional partners that have also committed to implementing the EarthCare Sudbury Local Action Plan. The City of Greater Sudbury has also developed an Eco-Industrial Strategy for the future development and operation of industrial lands and businesses within the City.	No	Yes
City of Toronto, Energy Efficiency Office	The EEO investigates innovative technical mechanisms for the purchase of renewable energy, as well as testing or demonstration of new energy generation technologies, such as fuel cells.	No	No
Collingwood Properties Realty CID	Common Interest Development in Collingwood. The most common type of association of homeowners is the nonprofit mutual benefit Corporation.	No	Not at this time

Member	Description	Generator Now	Future Generator
Community Power Fund	The Community Power Fund (CP Fund) was established in 2007 to support project development activities of Ontario-based community organizations pursuing local renewable energy projects, through the provision of a number of financing instruments to support community power, including grants, loans and investment equity.	No	No
Community Renewable Energy Waterloo (CREW)	Community Renewable Energy Waterloo (CREW) is a local non-profit organization dedicated to making renewable energy accessible to the citizens of Waterloo Region. Our vision is to be a network of knowledgeable advocates, early adopters and interested citizens who initiate and support all local projects that encourage energy conservation and sustainable use of energy or materials from naturally regenerating sources such as wind, solar and earth energy.	No	No
Cote Design	Côté Design is committed to assisting small and medium-sized businesses and not-for-profit organizations with their professional communication and promotional material needs. We are dedicated to helping you and your organization create design solutions that facilitate understanding that engages your target audience and ensures memorability.	No	No

Member	Description	Generator Now	Future Generator
Countryside Energy Co- op	Countryside is a group of citizens in a predominantly rural environment, concerned about how we can generate clean energy to help the countryside, towns and their inhabitants. We started off as a local project, the Huron-Perth Community Power Project, which had a key goal in forming a co-operative to develop sustainable energy projects and continuing operational & management processes. The initial name originated in recognition of the Community Future Development Corporations in Huron and Perth counties who sought and obtained seed funding to kick-off the first two projects. The successor Countryside Energy Co-operative Inc is not constrained to the former boundaries and will actively pursue viable renewable energy projects in South-West Ontario. The co-operative was officially inaugurated on August 3, 2005 when the Financial Services Commission of Ontario approved the incorporation. We're a Service Cooperative, which represents an interesting alternative to public service delivery.	No	Site testing and feasibility studies ongoing for two 10 MW wind farms; Partnering with TREC to develop Lakewind.
Detroit Diesel-Allison Canada East	DD-ACE is an authorized diesel engine distributor in Eastern Canada for Detroit Diesel, MTU, Mercedes-Benz, Volvo Penta, Kubota and for Allison Transmission. Our key markets are transportation (trucks and buses), agriculture, construction, fishing, forestry, industrial, mining, oil and gas, power generation.	No	No
Earth Rangers	Earth Rangers works to educate children on how to live more sustainably. Also our base of operations, the Earth Rangers Centre is a sustainable technology demonstration centre. We are interested in working with OSEA to build a renewable hub at the ERC.	For educational purposes and testing	No
Economic Development Corporation of Wawa	Wawa is located 225 kilometers north of Sault Ste. Marie along one of the top-ten drives in Canada, following the breath-taking Lake Superior shoreline. Providing services to several communities in Northeastern Ontario, the Wawa Region covers 90,000 km2 (35,000 square miles) and contains 7,500 people living in: Chapleau, White River, Dubreuilville, and six First Nation communities including Michipicoten First Nation.	No	No

Member	Description	Generator Now	Future Generator
EfstonScience Inc.	EfstonScience supplies Canadians with Alternative Energy Products featuring GUS Vertical Axis Wind Turbines. We offer turnkey installations of Grid-Tie Solar Kits that can be part of the Ontario's Feed-In Tariff Program as well as complete, Off-Grid solar products. To truly embrace alternative power, a lifestyle and attitude change towards power must shift. EfstonScience offers ways to measure how much power is being used to increase awareness and other products that reduces consumption such as very low-wattage LED bulbs. Established in 1970, known for innovative and lead-edge products – expect the same from our Alternative Energy Division.	No	No
Enercon Canada Inc.	ENERCON places great emphasis on delivering top quality products to its customers. In addition, ENERCON feels a strong duty to ensure that its development, manufacturing, and sales processes are safe – safe for people and safe for the environment. These three key values of quality, health and safety, and environmental protection compelled ENERCON Management to formulate 7 guiding principles of company policy:	No	No
EnergyAdvocate.ca	EnergyAdvocate.ca: a consultancy firm focused on providing solutions for the solar industry. Many of the programs and policies are being used successfully by Ontario schools and Boards in particular. "My focus is to educate and thus empower the community. It's not lack of funds that may prevent us from doing the right thing. It's lack of will that would fail us." "Our strengths are the ability to design the right system for the client, and sometimes more importantly, the ability to find funding for the client. Unique approaches to both facets of what is needed to make it work to produce energy and economy."	No	No

Member	Description	<b>Generator Now</b>	Future Generator
EthoSolar	EthoSolar is committed to providing farmers/land-owners throughout Ontario the opportunity to both invest in and share the vision for clean, renewable energy by installing solar PV systems on their properties. We are passionate about seeing the individual land-owner able to participate in the new initiatives through the Green Energy Act. We believe that if the average Ontarian can contribute to the generation of sustainable energy, they will be all the more committed to the vision for a future of 100% clean and renewable energy.	No	No
EvolutionGreen.com	EvolutionGreen is a hub of expertise for corporations, governments, and community groups to get connected with experts who can inspire, engage and enable stakeholders in conversations and solutions about sustainability.	No	No
Farmers for Economic Opportunity	Farmers for Economic Opportunity (FEO) is a self-governing, grassroots organization made up of local area farmers who are committed to family farms and rural communities in southwestern Ontario. Their mission is to strengthen Ontario's agricultural economy through rural-based and community driven, renewable energy production.  FEO goals include the creation of environmentally friendly, responsibly planned and community supported energy projects on Ontario farmland and adding value to farm gate returns through ownership participation in the processing and manufacturing of biofuels and community-based anaerobic digesters.	No	No
Fort Albany Power Corporation	Fort Albany Power Corporation (FAPC) is owned by Fort Albany First Nation (FAFN) and it is a non-share capital corporation. Fort Albany Power Corporation is the local distributed (LDC) of sole supplier of electricity in the community of Fort Albany, Ontario.	No	No
Generation Seven Consulting	Generation Seven is a boutique consulting firm offering professional planning, communications, and liaison <u>services</u> . We work with First Nations, Government, N.G.O.'s, and the Private Sector to facilitate sustainable development, environmental consulting, and green job creation.	No	No

Member	Description	Generator Now	Future Generator
Golden Dawn Senior Citizen's Home	Golden Dawn Senior Citizen Home is a Long Term Care Facility and Senior Citizen Apartment Complex located in the picturesque village of Lion's Head, Ontario on the shores of Georgian Bay.	No	No
Green Timiskaming Development Co- operative Inc.	Our objective is to supply 100% of our own energy from renewable sources.	No	Yes
Grid-Tie Solar	Our story begins with our family's initiative to put in a geothermal system, to heat/cool our farm. We then decided to go another step further an put 10kW of solar panels on our barn roof. We are now officially micro generators of renewable electricity for the Province of Ontario! We had such a great experience that we decided to become dealers and installers of solar panels. We have formed a partnership with Home Energy Solutions and Dave Egles. We are excited to be a part of the new move to make Ontario green!	Yes 10 kW of solar pv	No
Harbourfront Centre	Harbourfront Centre is a vibrant part of the community offering a year-round array of cultural, educational and recreational programs that appeal to people of all ages. Every year, we attract more than 12.6 million visitations, likely making Harbourfront Centre the most widely attended arts and cultural centre in Canada.	No	Possibly
Hearst and Area Economic Development Corporation	Hearst, a small rural community of 6,000 located in Northern Ontario, was born at the time of the construction of the national railway, and for more than a century since, this timber town has relied on its surrounding forests.		Hearst has vision and that to be totally selfsufficient in energy.
Helix Synergy	Helix Synergy Inc. is a Canadian and U.S. commercial wind power development company providing a range of wind power development services from consultancy and project management services to turn-key wind farm siting, construction and financing	No	No
Italian Canadian Savings & Credit Union	Italian Canadian Savings & Credit Union or IC Savings is a credit union that offers a full range of banking services including mortgages, chequing and savings accounts, retirement and investment products.	No	No

Member	Description	Generator Now	Future Generator
Kapuskasing Economic Development Corporation	Kapuskasing Economic Development Corporation (KEDC) is a catalyst for community economic development by coordinating strategic planning exercises and pursuing innovative projects. Kapuskasing is a progressive municipality, working collectively to provide the best quality of life for its bilingual community as well as growth opportunities for its business and industry sectors.	No	No
Leader Energy	Leader Energy.ca Corp. was registered October 19, 2006. The objective was to develop >20 MW's of wind energy projects in southeastern Ontario. A niche area was identified that had significant grid capacity, sufficient agricultural greenbelt, municipal bylaws in place and acceptable wind resource. We are now offering these projects to organizations that have the capacity to build, commission and operate them in a sustainable manner respecting the environment, landowners and the municipality of Clarington	No	Yes
Local Initiative for Future Energy (LIFE) Co-operative	LIFE partners with Community Renewable Energy Waterloo to deliver public education programs, and is otherwise focused on promoting community owned renewable energy assets.	No	LIFE is working on two projects, a co- operatively owned wind farm a biogas installations on local farms.
M.K. Ince & Associates	M.K. Ince and Associates (MKI) is a wind energy consulting firm offering professionally innovative, alternative solutions. Formed in 1993 as an environmental engineering firm, MKI expanded in 2000 to provide wind energy engineering services across Canada. MKI is involved in a number of wind energy projects, ranging from single turbine, community driven projects to commercial scale wind farms.	No	No

Member	Description	<b>Generator Now</b>	Future Generator
Main Street Power Company	Main Street Power is a solar development firm formed as a merger of a non-profit community development agency and a solar company. Every project we undertake has a component of community development and we aim to develop solar projects in low income areas and work with many local governments.	No	No
Mainstream Renewable Power	Our business is the development, construction and operation of wind, solar thermal and ocean current plants. We work to deliver a successful business that accelerates global progress towards a sustainable future. We know that a sustainable future is no longer a choice, it is an obligation.	No	Yes 67 MW in development
Morgan Solar	Morgan Solar's mission is to develop highly efficient, low cost solar technology. Our view is that integrating solar energy into the Ontario grid at a meaningful scale can best be achieved by making it competitive with other electrical generation technologies.	No	No
Neighbourhood Unitarian Universal Congregation	We live in a time of global warming and are witnessing the beginnings of environmental changes which may soon be irreversible. As members of the Neighbourhood Unitarian Universalist Congregation, we have a responsibility to help resolve these problems, as we are able. Half of the \$220,000 cost of the installation will be covered by an interest-free loan from the City of Toronto. The other half will be raised from donations and by issuing debentures to friends and supporters. We are issuing 110 debentures for \$1000 each at 5% interest paid annually. They can be held for up to 20 years, but NUUC reserves the right to redeem them at any time prior to maturity; holders may also choose to donate the principal at some point in return for an income tax receipt.	No	Yes Installing 20.91 kW (PV) system
New Media Architects	NMA (New Media Architects Ltd.) is a Toronto-based independent software developer (ISV) of extranets, intranets and content managed websites that give information-based organizations a highly-effective web-based communication channel	No	No

Member	Description	<b>Generator Now</b>	Future Generator
Ontario Co-operative Association	The Ontario Co-operative Association provides innovative programs and services to support its members, and strengthen and enhance the Ontario co-operative sector. These programs and services are organized according to On Co-op's four strategic areas: Lifelong Co-operative Learning; Government Relations, Communications and Member Relations and Co-operative Development	No	No
Ontario Solar Network	Ontario Solar Network, founded in March 2010, is an association comprised of individual solar energy producers, solar businesses and other stakeholders committed to the highest standards of professionalism. Ontario Solar Network mission is to advance business development for all stakeholders in the Ontario's solar industry through providing market intelligence, educational programs and networking events.	No	No
Orangeville & Dufferin County Wind Co-op	Emerging Community Power Group	No	Yes
PACE	PACE is a stakeholder relations firm that works with provincial government agencies to refine and promote sustainable policies. We have significant expertise in the energy policy field and also work with developers to create successful renewable energy projects. The vast majority of our project and policy work in the Ontario energy sector falls under the scope and intent of the GEA.	No	No
Pioneer Solar	Pioneer Solar is a leading full-service solar provider for homeowners, businesses, educational institutions, government organizations, and community cooperatives — the first company in Canada to provide solar power system design, financing, installation, and energy auditing services. Pioneer Solar takes cares of all permits and applications necessary to secure a microFIT or FIT contract.	No	No

Member	Description	Generator Now	Future Generator
Preneal Canada	PRENEAL develops, builds and operates wind farms on a long-term basis with community, municipal, regional and private partners. Our co-ownership, community-based approach to wind farming is new to North America. To maximize local economic benefits, we offer the community, landowners, wind-farm neighbours and private investors the possibility of owning a substantial amount of equity in the wind farms.	No	Only in Maritimes at present
Prince Edward County	A beautiful island adventure, Prince Edward County is a mecca for artists, nature lovers and anyone looking for a getaway for a weekend break or for life. Renowned for its sailing, fishing and giant sand dunes, The County also offers live theatre, artists studios and galleries, unique regional cuisine and a flourishing wine region.	No	No
REpower Systems Inc.	Repower Systems Inc. has been incorporated in Canada since December 2007. It is a wholly owned subsidiary of Repower Ag with offices in North Bay, Toronto, Montreal and Gaspe. <b>Our driver is to be the leading technical force in the wind industry</b>	No	No
Sarnia-Lambton Economic Partnership	Sarnia-Lambton's past and present create a solid foundation for its future. New Cleantech and Industrial Bioproducts sectors are no longer futuristic concepts - our community has worked to meld these new sectors with our tradition industries to create a well-rounded economic base and vast potential for the future.	No	No
Saturn Power	As a total solar solution supplier Saturn Power will look after every phase of your project from initial consultation to project commissioning: this includes submitting your micro-FIT application, developing a forecast of the electrical production and financial projection, helping to arrange financing if necessary, project management and installation and finally project commissioning.	No	No

Member	Description	Generator Now	Future Generator
Schneider Power	The Company has a successful track record of renewable energy development in Canada, having completed the construction of the Providence Bay Wind Farm, Manitoulin Island, Ontario in 2007.	The Providence Bay Wind Farm is an operating 1.6 MW on Manitoulin Island Ontario.	Yes new generation of projects: Arthur, Trout Creek, Innisfil and Spring Bay.
SKON Technologies	SKON Technologies is a developer of small and medium scale wind energy projects. Founded in 2004 and based in Markham, Ontario, SKON intends to help advance clean, efficient and renewable energy in Canada and provide greater economic opportunities to rural areas. Our role is to invest in new projects at the earliest stage and advance them through each phase of the development cycle until the wind farm is constructed and operational.	No	Yes
SkyPower Limited	SkyPower is Canada's leading developer of solar energy projects with an extensive pipeline of projects that represents hundreds of megawatts of potential nameplate capacity across North America. SkyPower prospects, develops, manages, finances, and owns solar energy projects from initial discovery stages through to commercial operation.	Yes 18.5 MW	Yes
Sun Run	Sun Run Inc. is an alternate energy developer working with individuals to develop more electricity from solar.	No	No
Sustainable Ottawa Community Energy Co- operative*	Sustainable Ottawa Community Energy Co-Op is a community based non-profit organization. Our mission is to make sustainable technologies, products and services more accessible and economically viable to people within the NCR. We do so through increasing public awareness of sustainable energy technologies (i.e. solar and wind), and by using the collective bargaining power of the Co-Op to reduce the cost of sustainable energy technologies for members of the Co-Op and the public.	No	No
Switch Kingston	SWITCH is dedicated to improving the environmental and economic sustainability of the Kingston region through promoting development and commercialization of energy efficient and alternative energy technologies, products, processes, and services.	No	No

Member	Description	<b>Generator Now</b>	Future Generator
Toronto Atmospheric Fund (TAF)	TAF's endowment supports local emissions reduction projects - at no expense to the taxpayer. Meanwhile, projects financed by TAF loans have saved the City \$17.5 million — over \$2.7 million annually — in cumulative energy and maintenance costs.	No	No
Toronto Renewable Energy Co-operative (TREC)	The Toronto Renewable Energy Co-operative is a non-profit, co-operative, environmental organization formed in 1998. At TREC, we are working hard to create a world in which everyone is fully aware of the link between their energy habits and environmental impacts and all people have a clear and easy choice for participating in renewable energy and conservation activities. We believed this can be accomplished by building community-based and owned renewable energy projects and educating Ontarians and visitors about renewable energy, energy efficiency and conservation and the community power model.	Yes 660 kW, wind turbine located at Exhibition Place.More than 400 Ontarians are investors and shared owners in the Windshare turbine.	TREC is also a partner in the development of the 10 MW Lakewind Power project and is developing a model for a co-operativelyowned solar model called SolarShare.
Upper Lakes Environmental Research Network (ULERN)	Engage in Partnerships to address environmental and natural resource impacts on human health.	No	No
Wikwemikong Unceded Indian Reserve	The Community of Wikwemikong has 7155 members. The Indian Reserve is situated on the eastern side of Manitoulin Island. Projects: Wikwemikong is currently developing a locally-owned wind power project on Manitoulin Island	No	Yes
Willms & Shier Environmental Lawyers LLP	Willms & Shier Environmental Lawyers LLP is an environmental, aboriginal and energy law firm. We represent First Nations and proponents seeking to start renewable energy projects and advise and guide them through the legal and regulatory requirements.	No	No

Member	Description	Generator Now	Future Generator
Wind Simplicity Inc.	Wind Simplicity is the designer and manufacturer of the high-efficiency, compact, noise free Windancer™ that helps save the environment by turning pollution-free wind energy into electricity. A revolutionary horizontal-axis wind turbine, the Windancer™ is available in 3, 7 and 23 kW. The Windancer is ideal for anywhere electricity is required where there are good wind resources, including your home, cottage, condo, school, farm or business.	No	No
Windfall Ecology Centre	Windfall Ecology Centre is an environmental non profit organization and social enterprise specializing in individual and community education and activation. Through our programs and advocacy efforts, we seek to empower individuals, community groups and governments to build sustainable communities. We design and deliver on-the-ground education, awareness and direct climate change mitigation programs. Major areas of endeavour include energy conservation, renewable energy production, water protection education and leadership development.	No	No
Windy Hills Caledon Renewable Energy	The objectives of Windy Hills Caledon are to: raise community spirit and involvement around a community owned wind-based renewable energy project, undertake studies to assess viability of the same, fundraise for professional support as appropriate for the same and raising environmental awareness in the Caledon community.	No	Yes 10 MW, 5 turbine wind project

### **APPENDIX B**



Howard I. Wetston, Q.C.
Chair & CEO
Ontario Energy Board

## **SPEECH**

# Ontario Energy Association Annual Conference

Niagara Falls, Ontario September 21, 2010

Check against delivery

Good morning. Thank you John (McGrath) for your introduction. Speaking today gives me an opportunity to recognize the success of the Ontario Energy Board (OEB or Board) on this, its fiftieth Anniversary. For 50 years, the OEB has been pursuing the public interest – that most elusive of goals. Our focus has always been on protecting the interests of consumers: through the introduction of competition in the natural gas industry; putting in place the regulatory instruments necessary to implement the restructuring of the electricity industry; and developing innovative ratemaking approaches.

But let me sharpen the focus of my remarks by highlighting the past two years. Since early 2009, the Board has completed a number of initiatives necessary to facilitate the advancement of the government's policy goals as expressed in the Green Energy and Green Economy Act (GEA). We are confident that we have put in place an appropriate regulatory framework that has five essential building blocks. They are:

- Reforming the connection process for generators, making it more rational and efficient;
- Standardizing billing and settlement processes for Feed-In Tariff (FIT) and microFIT generators;
- 3. Reforming our cost responsibility rules for renewable generation connections;
- Providing guidelines on the accounting treatment of distributor-owned generation, as a non rate-regulated activity; and
- 5. Encouraging rational planning and investment to facilitate network expansion.

As such, while this framework promotes activities undertaken to fulfill the objectives contained in the GEA it might be considered as a separate policies. I prefer to look at them as more unified and encouraging a cost effective and efficient path from production to delivery to consumption.

The energy sector – not just in Ontario, but in jurisdictions around the globe – has undergone considerable change in the past 10 years. That change can be seen through the escalating importance of environmental and social goals that underpin sustainable development worldwide. In effect, "legacy" obligations remain unchanged while new policies add new layers. It is my opinion that the Board has an important responsibility to integrate these newer components into a coherent whole. Integration requires a recognition of the interdependence among the issues.

As a result of policy changes, new and significant demands are being placed on the sector's infrastructure. One of the results is a growing unease about the cost of electricity.

Obviously, the upward pressure on energy costs comes from a variety of sources:

- · The need for new and upgraded infrastructure,
- · Ongoing costs to maintain system operability and reliability,
- · The cost of the infrastructure necessary to incorporate renewable generation,
- Smart meter deployment.
- Conservation initiatives.

Managing those pressures in a higher cost environment on behalf of the consumer is central to the Board's work, although the Board does not have direct oversight of some of these costs. However, the Board is aware that by facilitating network investment we enable some of these costs.

As we consider how best to address those pressures, we want to ensure that the Board itself, and the entities that we regulate, focus on outcomes. In my view, the Board should, in addition to applying its traditional cost of service analysis, begin to view the setting of rates from an additional perspective. This perspective should consider where we want to end up in terms of an outcome. We need to focus on the results achieved, measured against both the policy goals of the GEA and the ultimate costs to consumers. The Board is therefore seeking to better identify and articulate its own objectives in terms of the results that its various initiatives are in fact achieving.

This approach goes beyond measuring Board performance based solely on achievement of a particular goal through issuance of a policy paper or new Code, for example. We want to focus on long-term outcomes that clearly identify the desired impact on the consumer and the sector that we wish to achieve. We are pursuing this approach for our next business plan.

At the same time, the Board also intends to examine how well utilities consider long-term outcomes and impacts on customers as they plan their activities and come forward to the Board for cost recovery.

Performance is an important goal of economic regulation. As such, we need to focus on how well the utilities across the province achieve results and we need to improve our approaches to measuring results. After all, we want to encourage efficiency and discourage inefficiency.

So let me take a few minutes to discuss how we intend to ensure that our approach to this important work evolves along with the sector. We are at the beginning stage of this process and more detail will come shortly as each particular initiative takes shape.

#### Managing Cost Increases

The Board recognizes that the renewal and expansion of electricity infrastructure is one of the factors that will contribute to increased costs for Ontario consumers. On the other hand I do not wish to suggest that this renewal and expansion is not vital for Ontario consumers. It will be necessary to manage the impact of capital investments. In doing so, it will be important to acknowledge the contribution that utilities can make to ensuring that sustainable investments are made.

Given the magnitude of anticipated cost increases, the Board believes that, as we approach our next planning cycle, our regulatory work should properly focus on three key issues:

- Enhancing the cost effectiveness of networking system investment planning;
- An improved approach to determining appropriate cost levels in the Board's cost of service reviews, i.e. cost management; and, finally
- · A review of the manner in which costs are recovered in rates.

Our goal is a framework which incents utilities to control costs as they plan, and reduces the need for rate mitigation measures later on.

Let me expand on the first challenge of enhanced network investment planning. Adding infrastructure to connect new renewable generation will affect customer bills in at least two ways: 1) higher network charges and 2) higher global adjustment.

The Board therefore intends to consider refinements to its policy regarding the assessment of distributors' infrastructure investment plans. The objective of this work is to ensure that the plans are economically efficient and cost effective. The Board will consider how best to ensure that investment proceeds at a pace and is prioritized on a basis that has regard both to demonstrated need and the cost implications for consumers. This approach may require an assessment of the combined cost impact of both the network investment and the generation that is connected by that investment.

The Board will also address the fact that an individual distributor's planning process may not, if considered in isolation, facilitate the lowest cost investment to meet the renewable energy and smart grid objectives under the GEA. Moreover, as I have suggested in the past, we may require greater regional coordination among distributors with respect to their planning.

The second related issue I mentioned was improved cost management. Given the likelihood of cost increases driven by the need to incorporate renewable energy sources, the Board will consider different approaches it might use to determine appropriate cost levels in the cost-of-service reviews for distributors. The purpose of this initiative is to ensure distributors manage their costs with regard to overall impact on

rates paid by consumers. I believe we will need to focus on increasing efficiency not only to manage rate increases but to minimize the need for those increases.

It is my expectation that our work regarding distributor investment planning and the management of costs will inform the Board's review of how costs are recovered through rates. Our rate recovery focus may include a review of our current mitigation policy. The Board's rate mitigation policy was first established in 1999 under a different policy context than that of the Green Energy Act. The Board's 2006 Electricity Distribution Rate Handbook states, among other matters, that an "applicant must file a mitigation plan if total bill increases for any customer class or group exceed 10%". Back in 1999, however, the concern was rate impacts resulting from a change in rate design with rate unbundling. The objective of this review will be to examine ways to better promote gradualism in rates or bill increases. For example, over a utility's cost of service and incentive regulation mechanism (IRM) rate cycle, is there an optimal shape to the annual change in customer rates?

#### Existing Initiatives

A number of the Board's existing initiatives fit well with this refocus of the Board's priorities. For instance, work we are conducting on reliability standards, and the impact it will have on asset management decisions, will continue alongside the broader cost management initiative I have just outlined. The objective of the project is to establish appropriate reliability standards and performance targets for utilities. I expect we will go beyond simple measurements like current cost per customer metrics. The Board has already conducted an extensive survey of residential, commercial and industrial consumers on issues of system reliability, which it intends to make public shortly. We are holding a one-day stakeholder conference next month to solicit more in-depth feedback. The Board will use the information it gathers through its research to begin work on developing an effective reliability regime.

We are also evaluating the current methodology and structure of time-of-use (TOU) prices and considering the impact of changes in the supply mix and costs on those TOU prices. We are examining how we allocate different types of generation between periods and options for changing the periods' structure. As the Board moves toward the November Regulated Price Plan (RPP) reset we will consider whether additional changes need to be made in the short term for cost allocation that may increase incentives for load shifting.

Adjustments the Board has already made in the past 18 months include shifting the off-peak period to start an hour earlier at 9:00 p.m. and allocating the cost of peaking generation to the peak period. I fully expect the RPP and TOU methodology will continue to evolve going forward as we are committed to a program that effectively incents consumers to shift loads. But the principle of total cost recovery will remain central.

It is well known that consumer protection has been a core focus of the Board, whether it is through our compliance and enforcement work or through our work to inform consumers of their rights related to the energy sector. Scheduled to take effect January 1, 2011, the *Energy Consumer Protection Act*, 2010 (ECPA) will enhance our role in a number of ways.

As you know, the ECPA focuses principally on three areas: retailers and marketers, disconnections and security deposits and suite metering. We are currently preparing extensive amendments to Board codes and rules related to retailers and marketers.

Some examples of work which will be undertaken in the next while include:

- Standard verification scripts to be used with potential customers; and
- Neutral, basic information in a disclosure statement that will help consumers make an informed choice before signing a contract.

We will also be conducting audits of the companies to ensure they are complying with the ECPA. To facilitate this important work we are creating a new Consumer Protection unit that consolidates within one department all our existing activities relating to retailers, marketers and energy consumers.

In July we adopted new province-wide customer service standards for electricity utilities. These new standards include very briefly, among others:

- · 10-day notice before disconnection for non-payment;
- · Arrears management programs; and
- · Equal monthly payment plans

We welcome these new Consumer Protection responsibilities that build upon the work we already have underway.

Speaking more generally, the Board believes its overall approach to inform consumers is beneficial to the energy sector as a whole. Our new website dedicated to consumers provides information they need to know about the electricity and natural gas markets without all of the industry jargon. It is easier to understand and cuts straight to the information most pertinent to the consumer. The recent work we have done to explain the components of energy bills in a simpler way has been well received by consumers. Our new, online calculators for gas and electricity bills quickly became the most popular pages on our site after they were launched in July.

I would be remiss if I did not also share some news on our gas work in the natural gas sector. As many of you will know already, the Board has initiated a review and examination of recent developments in North American natural gas supply markets. The purpose of the review is to assess how natural gas markets in Ontario are responding or adapting to changing market conditions, particularly due to increased shale gas

production at Marcellus. The review will look at impacts over the next three to five years including the potential impact on prices, services and transportation infrastructure utilization. A specific objective of this initiative is to determine the need for regulatory changes, if necessary, in response to potential impacts identified. The Board will hold a stakeholder conference on October 7 and 8, 2010 to provide a forum for discussion of these recent developments in North American natural gas supply markets and the implications for the Ontario natural gas sector.

#### Conclusion

Let me close by promising that more detail on our cost management work will be shared in the coming months. We look forward to working with all of you as the Board develops these initiatives in a coordinated manner. We are in a transformational stage, and I believe the OEB has an important role to play. Effective regulation promotes smart transformation. It encourages the right amount of investment and new technologies while maintaining reliability, affordability and sustainability.

Thank you

#### **ONTARIO ENERGY BOARD**

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

**AND IN THE MATTER OF** an Application by Hydro One Brampton Networks Inc. for an Order or Orders granting approval of initiatives and amounts related to the Conservation and Demand Management Code;

**AND IN THE MATTER OF** an Application by Hydro One Networks Inc. for an Order or Orders granting approval of initiatives and amounts related to the Conservation and Demand Management Code.

#### **NOTICE OF MOTION**

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