EB-2010-0351

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

AND IN THE MATTER OF a review of an application filed by Chatham-Kent Transmission Inc. dated November 16, 2010, under sections 57(b) and 60 of the *Ontario Energy Board Act, 1998* for an electricity transmission licence.

POWER WORKERS' UNION INTERROGATORY QUESTIONS TO CHATHAM-KENT TRANSMISSION INC. ("Chatham-Kent")

Transmission Facilities Involved In This Application:

Reference: Application, s. 4, p. 4

Interrogatory #1

The application indicates that it is intended that the transmission facility in question will be designed, constructed, and owned by Pattern Energy Group ("Pattern"). After completion, it is intended that the facility will be sold to the Applicant. To the Applicant's knowledge, does Pattern intend to apply for a transmission licence?

Interrogatory #2

The application indicates that:

Costs will not be socialized and an approved Ontario Energy Board tariff sheet is not being sought. Costs will be recovered directly from Pattern in the form of contributed capital and operational cost recoveries under the terms of a twenty-year commercial agreement to be mutually agreed upon between the parties.

Please advise how the "operational cost recoveries" referred to in the application are not:

(a) a "charge for the transmission of electricity" under s. 78(1) of the Ontario Energy Board Act, 1998; and, (b) a "charge" for a "transmission service" under s. 4.2.2 of the Transmission System Code.

Interrogatory #3

If it is not intended that Pattern will obtain a transmission licence, please explain how Pattern would have the standing to make an application pursuant to s. 86 of the *Ontario Energy Board Act, 1999*, as contemplated by the application.

Interrogatory #4

Is it intended that the Applicant will enter into a connection agreement with Pattern pursuant to the provisions of 4.1.1 of the Transmission System Code? If not, why not?

Reference: Application, s. 9

Interrogatory #5

Section 9(b) of the application appears to indicate that the design, construction and customer connection activities will be contracted by the Applicant to Pattern. This appears to be inconsistent with the provisions of s. 4 of the application, which indicates that the design, construction and customer connection will be performed by Pattern, not as a contractor for the Applicant, but in its own right as the owner of the transmission facilities in question. Please confirm which of s. 4 and s. 9(b) accurately describes the structure of the intended transaction.

Interrogatory #6

The application recognizes that the Applicant intends to share key employees with affiliates. Does the Applicant intend to seek an exemption from s. 2.2.3 of the Affiliate Relationship Code? If so, please explain why the Applicant cannot structure its business in a manner which does not require an exemption from the Affiliated Relationships Code.

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