

BY RESS AND COURIER

March 4, 2011

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street,
27th Floor
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Chatham-Kent Transmission Inc. License Application (EB-2010-0351)

The Independent Electricity System Operator (the "IESO") is writing to request that the Ontario Energy Board (the "Board") consider the IESO a late intervener in the above-captioned proceeding for the purpose of participating in the hearing of this matter. The IESO accepts the record as is. Also, the IESO request that the Board consider the IESO's comments, which are set out below; in its deliberation of this matter and that this form part of the record.

It would appear that Chatham-Kent is seeking the Board's approval to ultimately assume ownership and/or operation responsibility for the transmission connection facilities that are required to connect the proposed 270 MW South Kent Wind Project to the IESO-controlled grid; as well as, participate in future transmission project designation process that may be administered by the Board. The IESO observes these issues to be similar for the most part to those identified in TransCanada Power Transmission LP (TransCanada) transmission license application (EB-2010-0324) that the IESO believes the Board needs to examine before rendering a decision.

The IESO is encouraged by Chatham-Kent's acknowledgement of its potential obligations and responsibilities as a licensed transmitter, including the need for compliance with applicable reliability standards and provisions (e.g., NERC, NPCC, Transmission System Code, etc.) and the Market Rules and Affiliate Relationships Code, and that Chatham-Kent is committed to putting in place the necessary processes and provisions to monitor and maintain compliance with these requirements.

In response to EnWin Utilities Ltd. Interrogatory 2(c), Chatham-Kent notes that "[t]he Board's Affiliate Relationships Code for Electricity Distributors and Transmitters (ARC) will apply to [Chatham-Kent] when it becomes a transmitter – i.e., when it "owns or operates a transmission system..." The IESO submits that Chatham-Kent may be subject to various provisions of the Market Rules and Affiliate Relationship Code prior to it actually assuming ownership and/or operating responsibility for the proposed transmission connection facilities. In particular, being a licensed transmitter (i.e., whether solely for the purpose of participating in the Board's transmission project designation process or to own and/or operator transmission facilities or both), the IESO may be required from time-to-time to provide Chatham-Kent with certain confidential information, including customer forecast, planning and load flow information and data for the purpose of preparing transmission proposals and plans for the expansion or modification of the IESO-controlled grid. Given that Chatham-Kent is planning to participate in the Board's transmission project designation process, there may be a need for the IESO and/or Hydro One Networks Inc. to provide it with such information to enable it to develop its transmission expansion proposal and plan. All of this should properly be subject to the applicable provisions of the Affiliate Relationships Code and Market Rules pertaining to accessibility and secure management of confidential information and data that will be made available to it or come under its possession and control.

The IESO would like to receive copies of all new material that is filed by the applicant and interveners. The IESO asks that copies of all filed materials be sent to the IESO at the mailing address or email set out below.

Independent Electricity System Operator
655 Bay Street, Suite 410
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Attention: Carl Burrell

Tel: (416) 506-2858
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Email: carl.burrell@ieso.ca

The IESO will not be seeking an award of costs for its intervention in the proceeding.

All of which is respectfully submitted,

Original signed by

Carl Burrell
Senior Regulatory Analyst
Regulatory Affairs
Independent Electricity System Operator

cc. David Kenny, President, Chatham-Kent Transmission Inc.
All Interveners