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March 23, 2011

RESS, Email and Courier

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
27th Floor, Box 2329
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Ontario Waterpower Association ("OWA")
Interim Relief
Board File No: EB-2011-0067**

Further to your Acknowledgement Letter dated March 22, 2011, the enclosed submissions deal with request for interim relief while the Board considers the Application. In essence the request for interim relief is to avoid the irreversible harm that could, and will likely happen to certain members of the OWA if the provisions of the Distribution System Code ("DSC") are applied as currently formulated.

The applicants for connection to the Hydro One Networks Inc. ("HONI") distribution system are well along in the process towards receiving a Connection Cost Agreement ("CCA") for the listed projects. The DSC provides a 6 month period, commencing upon the date of capacity allocation, in which the applicant for connection must execute the CCA. The end of the 6 month period is either past, or imminent and the applicants for connection are being told that upon receipt of the CCA, there will be a 2 week window during which the CCA must be executed and the deposit provided to HONI. Failure to execute the CCA and provide the deposit results in a mandatory loss of capacity allocation. The distributor, in this case HONI, has no option. The loss of the capacity allocation will result in the termination of the project.

The unique development process for waterpower does not require that HONI commence engineering and construction right away. As noted in the Pre-Filed Evidence, the result is millions of dollars on deposit with HONI which are not required to be spent for years.

Once the capacity allocation is removed or lost and re-allocated to other developers, the OWA understands and believes it would be very difficult or impossible to try and re-allocate the capacity to permit a project to proceed should the Board grant the relief requested by the OWA. The proposed waterpower projects tend to be in the north and

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capacity is constrained. Once capacity is gone, it is gone forever. However, granting the interim relief preserves the status quo without harming or putting at risk HONI or the OWA members that have brought this application. Further, if the Board does not ultimately grant the relief requested, other projects awaiting a FIT Contract from the OPA will not be harmed by the interim relief.

The timeframes and triggers for making decisions were removed from the generator's control and the various organizations are having great difficulty meeting the timelines stipulated in their various processes. It would be highly unfair to the waterpower developers to hold them solely accountable for the inability of the entire regulatory system to fulfill the commitments made by the various entities.

In short, there will be irreparable harm to the waterpower developers should the Board not grant the interim relief. The balance of convenience favours granting the interim relief as there is no additional risk to HONI or third parties.

If you require further information, please contact me. I will be at the Board's office today, attending a settlement conference in another matter.

Yours truly,



Scott Stoll

Cc: P. Norris, OWA
G. Jaff, OEB
Susan S. Frank, Hydro One
M. Graham, Hydro One

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