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**Re: OWA application for DSC exemptions
Ontario Energy Board file number EB-2011-0067**

April 19, 2011

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

Dear Ms Walli,

APPRO would like to take this opportunity to comment on the application of the OWA (Ontario Waterpower Association), and to respond to the OEB's notice of application and hearing with respect to requested exemptions from the Distribution System Code.

APPRO as an organization represents the full range of current and prospective generators of electricity in Ontario, including producers of electricity from both waterpower and non-waterpower sources. Since the application from the OWA proposes changes that would differentially impact generators using waterpower, as compared to other generators, our review concentrated on whether the proposed exemption might prejudice one category of generators with respect to any other category.

It is our conclusion that the OWA proposal would have no significant negative impact on other generators or on the power system as a whole, and warrants support.

In our understanding, the DSC requirement that distributors remove capacity allocations in cases where a connection agreement is not signed within 6 months of the allocation, is primarily intended to ensure that capacity is not set aside for projects which are not moving ahead at a reasonable pace. We accept the OWA's contention that the considerations which are relevant to waterpower projects at such a stage of

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development tend to be relatively site-specific and time-consuming to resolve, in comparison to other types of generation. For waterpower projects which can not be expected to move from capacity allocation to having a signed connection agreement in 6 months, this standard is clearly unworkable and, as the OWA is ably demonstrating in this proceeding, would result in the cancellation of otherwise worthy projects.

If a pattern were to develop in which connection capacity allocated for waterpower projects was being set aside by distributors and remaining unused by the proponents for significant periods of time, the exemption proposed by the OWA would warrant reconsideration. However, we consider such a situation to be extremely unlikely, especially given the expected use of milestone requirements such as those the OWA is proposing.

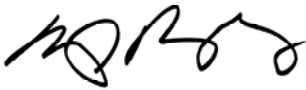
Although the potential use of additional regulatory mechanisms falls outside the scope of this proceeding, the OWA's application raises a question for later consideration. The use of a one-size-fits-all time limit is a relatively coarse standard. Discussion around a more textured set of rules and time limits for various kinds of connection applications may be warranted at a later point.

In consideration of the above, APPrO endorses the application of the OWA and recommends that the Board proceed to adopt its recommendations.

APPrO sees no need to seek further information through interrogatories, and does not plan to request intervenor status nor observer status in this proceeding.

We appreciate this opportunity to present the views of generators on this application.

Sincerely,



Jake Brooks
Executive Director

cc

The Applicant:

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