



**EB-2011-0209**

**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 Trout Creek  
Wind Power Inc. pursuant to section 74(1)(b) of the *Ontario  
Energy Board Act, 1998* to amend Hydro One Networks  
Inc.'s Electricity Distribution Licence ED-2003-0043 to  
exempt Hydro One from sections 6.2.4.1(e)(i) and  
6.2.18(a) of the Distribution System Code with respect to  
Trout Creek Wind Farm (Hydro One Connection No.  
12,780).

**BEFORE:** Paul Sommerville  
Presiding Member

Cynthia Chaplin  
Vice-Chair

## **INTERIM DECISION AND ORDER**

### **THE APPLICATION**

On May 25, 2011, Trout Creek Wind Power Inc. ("Trout Creek" or the "Applicant") filed an application with the Ontario Energy Board (the "Board") under section 74(1)(b) of the *Ontario Energy Board Act, 1998* (the "Act") to amend the distribution licence of Hydro One Networks Inc. ("Hydro One") to exempt Hydro One from sections 6.2.4.1(e)(i) and 6.2.18(a) of the Distribution System Code (the "DSC") with respect to Trout Creek Wind Farm (Hydro One Connection No. 12,780) (altogether, the "Project") and to substitute a special rule for the Project.

Section 6.2.4.1(e)(i) of the DSC states that a distributor's capacity allocation process must include a requirement that a generator have its capacity allocation removed if the

generator does not sign a connection cost agreement with the distributor within 6 months of the date on which the generator received a capacity allocation. Section 6.2.18(a) of the DSC states that the connection cost agreement must include a requirement that the generator pay a connection cost deposit ("CCD") equal to 100% of the total estimated allocated cost of connection at the time the connection cost agreement is executed.

Trout Creek requested that the Board amend Schedule 3 of Hydro One's distribution licence to reflect Trout Creek's proposed exemption. Trout Creek also requested that the Board implement a different rule for the Project ("Trout Creek's Proposed Rules"). Trout Creeks' Proposed Rules are attached to this Interim Decision and Order as Appendix A.

The Applicant stated that the Project has been subject to significant delays as a result of the Ministry of Natural Resources' site release procedure and therefore has not been able to complete necessary studies and permits for the Project. The Applicant further indicated that because of these delays that are beyond the Applicant's control, Trout Creek cannot obtain funding at this time to make the full CCD payment as required by the provisions of the DSC.

### **INTERIM RELIEF**

According to the application, if Trout Creek does not provide certain deposit amounts required by Hydro One by 4:00 p.m. on May 26, 2011, Hydro One will remove the capacity allocated to the Project. Therefore, the Applicant requested that the Board render an interim decision and order before 4:00 p.m. on May 26, 2011, to ensure that the Project will not have its capacity allocation removed until the final conclusion of this proceeding. The Applicant further requested that the Board require the Applicant to execute the Connection Cost Agreement with Hydro One and pay a deposit of \$200,000 to Hydro One prior to July 15, 2011, in respect of the Project.

### **BOARD FINDINGS**

The Board finds that it is in the public interest to exempt Hydro One from the obligation to comply with sections 6.2.4.1e(i) and 6.2.18(a) of the DSC in relation to the Project, on an interim basis, prior to the Board issuing a final decision in this proceeding. Trout Creek has proposed that it be required to execute the Connection Cost Agreement with Hydro One and pay a deposit of \$200,000 to Hydro One before July 15, 2011. The

Board has determined that these requirements should be met within thirty days of the date of this Interim Decision and Order. This approach is consistent with that taken by the Board in the Ontario Waterpower Association proceeding wherein the interim exemption was subject to specific time limitations.

Trout Creek is reminded that this Interim Decision and Order does not constitute a final decision on the application and applies to the Project only. Further, the issuance of this Interim Decision and Order should not be construed as predictive in any manner or degree of the Board's final determination with respect to the application.

**IT IS THEREFORE ORDERED THAT:**

1. Hydro One Networks Inc. is exempt from the requirements of sections 6.2.4.1e(i) and 6.2.18(a) of the Distribution System Code as these requirements apply to Trout Creek Wind Power Inc. until the Board's final disposition of proceeding EB-2011-0209 with respect to the Project.
2. With respect to the Project, Hydro One must comply with paragraph 1 of Trout Creek's Proposed Rules within thirty days from the date of this Interim Decision and Order. Specifically, upon execution of the Connection Cost Agreement, Hydro One will collect \$200,000 from Trout Creek. The execution of the Connection Cost Agreement will occur within thirty days from the date of this Interim Decision and Order.

**DATED** at Toronto, May 26, 2011

**ONTARIO ENERGY BOARD**

*Original signed by*

Kirsten Walli  
Board Secretary

**Appendix A**  
**to**  
**INTERIM DECISION AND ORDER**  
**EB-2011-0209**

For the Trout Creek Wind Farm (Hydro One Project #12,780), Hydro One shall be exempted from the current connection cost deposit stipulated in s. 6.2.18(a) of the Distribution System Code (the "DSC") and shall, instead, adhere to the following schedule:

1. \$20,000 per MW of capacity shall be paid by the proponent to Hydro One upon the execution of the Connection Cost Agreement.
2. An additional deposit in the amount of 30% of the total estimated cost, as estimated by Hydro One, less the amount received by Hydro One under paragraph 1 above, shall be paid by the proponent to Hydro One no later than 4 months after the proponent notifies Hydro One that it has completed the Renewable Energy Approval.
3. No later than 180 days after Hydro One receives payment of the amount referenced in paragraph 2 above, Hydro One shall provide to the proponent a construction schedule and a more accurate estimate of the project cost, if such estimate is requested and paid for by the proponent. The payment for the estimate shall be drawn from the deposit to the extent possible.
4. The balance of the total estimated cost, as estimated by Hydro One based upon the best available information, shall be paid by the proponent to Hydro One no later than 30 days after the proponent notifies Hydro One that it is proceeding to construction.
5. Hydro One and the proponent shall mutually agree upon an in-service date that is no later than 2 years after Hydro One receives the balance referenced in paragraph 4, above, subject to the following: in cases where a transmission upgrade or new transmission facilities are required, Hydro One and the proponent may agree to an in-service date that is later than two years after Hydro One receives the balance referenced in paragraph 4, above.
6. The Expansion Deposit, as stipulated by Section 3.2.20 of the DSC shall be paid to Hydro One at the same time as the payment in paragraph 4.

Notwithstanding the foregoing, if at any time the above-noted payments to Hydro One are insufficient to cover Hydro One's costs as estimated by Hydro One, the proponent shall pay, to Hydro One, additional funding sufficient to meet the shortfall identified by Hydro One, and Hydro One shall be relieved of its obligation to perform such further work until it receives the said additional funding.