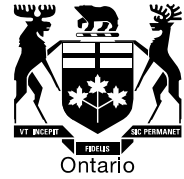


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**BY EMAIL**

June 16, 2011

Tara Foster  
2523 Haldimand Road #20  
Fisherville ON N0A 1G0

Dear Ms. Foster:

**Re: Application by Grand Renewable Wind LP("GRW") for  
Leave to Construct Transmission Facilities  
(EB-2011-0063)**

Thank you for your email of June 8, 2011, in which you requested clarification in regard to section 92(2) of the *Ontario Energy Board Act, 1998* (the "Act").

As was articulated in the Notice of Application the GRW leave to construct application currently before the Board has been filed under section 92 of the Act. The present application is for construction of a new transmission line as opposed to replacement or relocation of an existing transmission line. How these are dealt with under the Act are different and I think the source of your query. I hope the following will help clarify your concern.

**Application requiring Leave to Construct proceeding**

Section 92(1) of the Act<sup>1</sup> deals with applications for a leave (i.e. permission) to construct either new transmission lines, or reconstruction or reinforcement of existing transmission lines (where in most cases, the new line poles or towers are larger in size to accommodate larger capacity). It is under this subsection of 92 that GRW has filed its application. The Board is required to conduct a hearing with the appropriate due process.

**Application exempt from Leave to Construct proceeding**

The second subsection, 92(2) indicates that a leave to construct application is not required if it involves relocating an existing transmission line or replacement of a transmission line (like for like, which means the replacement transmission line would have the same features and capacity as the old transmission line). This section clarifies however that the exemption does not apply if the replacement or relocation of the transmission line requires acquisition of additional land or authority to use additional land. As GRW's application for the Board is for a new transmission line, section 92(2) does not apply and GRW is not exempt from a full hearing before the Board.

**Board Jurisdiction**

The Board is bound by the jurisdiction given to it under the Act. The Board's jurisdiction for an electricity leave to construct application such as the one filed by GRW is limited to the consideration of prices and the reliability and quality of electrical service, and where applicable and in a manner consistent with the policies of the government of Ontario, the promotion of the use of renewable energy sources. These limitations are set out in subsection 96(2)<sup>2</sup>.

The Board is holding a hearing to determine if the Application should be granted. GRW also requires certain other approvals such as the Renewable Energy Approval , however this process is not within the jurisdiction given to the Board under the Act (but

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<sup>1</sup> Section 92 (1) states that: No person shall construct, expand or reinforce an electricity transmission line or an electricity distribution line or make an interconnection without first obtaining from the Board an order granting leave to construct, expand or reinforce such line or interconnection.

<sup>2</sup> Section 96(2):

(2) In an application under section 92, the Board shall only consider the following when, under subsection (1), it considers whether the construction, expansion or reinforcement of the electricity transmission line or electricity distribution line, or the making of the interconnection, is in the public interest:

1. The interests of consumers with respect to prices and the reliability and quality of electricity service.
2. Where applicable and in a manner consistent with the policies of the Government of Ontario, the promotion of the use of renewable energy sources.

rather is carried out by the Ontario Ministry of Environment). Only if and until GRW receives all of the required approvals, including the approval required from the Board, it will be permitted to construct the transmission line.

I hope this helps clarify matters and addresses your concerns.

Yours truly,

*Original signed by*

John Pickernell  
Asst. Board Secretary

- c. Mr. Jeong Tack Lee, Grand Renewable Wind LP  
Mr. George Vegh, McCarthy Tétrault LLP  
Ms. Kristyn Annis, McCarthy Tétrault LLP  
Mr. James M. Cho, Samsung Renewable Energy Inc.