GARDINER ROBERTS

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File No.: 95818

June 17, 2011

DELIVERED

Ms. Kirsten Walli
Secretary
Ontario Energy Board
Suite 2700, 2300 Yonge Street (27TH Floor)
P.O. Box 2319
Toronto, ON
M4P 1E4

Dear Ms. Walli,

Re: EB-2011-0106

Please find enclosed Goldcorp's Responses to Interrogatories in the above named matter, paper copies will follow. The responses have been emailed to the interveners.

Yours truly,

Gardiner Roberts LLP

Ian A. Blue

Enclosures

TORONTO-#244925-v1-OEB_June_17

Question

1. Permits

In its response to Undertaking J1.1, Goldcorp provided a list of permits it requires prior to the commencement of construction. Goldcorp also stated that the proposed project has been approved under *Class EA for Minor Transmission Facilities*, while project approval under *Class EA for Resource Stewardship and Facility Development* is still pending. Please identify if any of the permits identified in Undertaking J1.1 are contingent on (i.e. permit will only be issued after the completion of the Class EAs) the completion/approval of the project under *Class EA for Resource Stewardship and Facility Development*.

Response

Please refer to Undertaking JM1.1. The work permit from the Ministry of Natural Resources is contingent on approval of the Class EA for Resource Stewardship and Facility Development. Permits form the Ministry of Transportation (Temporary Entrance Permit and Encroachment Permit) are not contingent on the issuance of the work permit from the Ministry of Natural Resource as the lands required for access off Highway 105 are not located on Crown Land. Approvals under the Navigable Waters Protection Act and the Aviation Obstruction Clearance Permit from Transport Canada and the approval of the Department of Fisheries and Oceans for overhead line construction are not contingent on approval of the Class EA for Resource Stewardship and Facility Development.

Question

2. Ref: Ex B/T4/S3/p.1 – Project Economics

At the above reference Goldcorp states: "The line assets, which include the switchyard connecting the HONI tap at approximately 2 km south of Harry's Corner to the 10.7 km 115 KV transmission line to the Balmer Complex TS, and the 115 KV line itself, will be transferred to HONI under CCR Agreement".

Please file the Connection and Cost Recovery Agreement referenced above. If the agreement has not been finalized as yet, please indicate when the agreement will be finalized.

Response

As of this writing the Connection and Cost Recovery Agreement ("CCRA") has not been completed; Goldcorp expects to have a CCRA in place with HONI by August 2011. As of June 17, 2011 Goldcorp and HONI have agreed that the CCRA will be based on a Class C Cost Estimate. Goldcorp is completing detailed engineering and requires final costing information from HONI to complete this process.

Question

3. Industry Standards and Codes

1. Please indicate the nature (e.g. rural distribution supply, underground cable, water pipes, railway lines etc.) of any other existing facilities in the right-of-way which might affect construction;
2. Please indicate the installation procedure for the new line in relation to continuing operation of the existing facilities in the right-of-way, as identified in the previous question.
3. Please indicate the design and construction standards and procedures, relating to high voltage and other electromagnetic effects, which will protect pre-existing facilities and personnel from direct and induced currents and voltages. Include in your discussion corrosion protection, cable location identification, and grounding for safety and "tingle" or "stray" voltage.

Response

1. There is a local distribution line along the East side of Highway 105 which the proposed 115kV right of way will cross at 90 degrees.
2. We plan to install a temporary line protection structure with net during the installation of the conductor in that area. This will ensure that there will be no clearance infringements of the existing line during construction. We will be booking a short outage to carry out this installation in due course.
3. The following standards and procedures shall be followed for transmission line design.

CSA-C22.3 No.1-10	Over head system
CSA-C22.3 No.3,	Electrical coordination
CSA-C22.3 No.6,	Principles and practices of electrical coordination between pipelines and electric supply lines
CSA-015-90	Wood utility poles and reinforcing stubs
CSA-080	Wood Pole preservation
CSA-C83	Communication and Power Line Hardware
CSA-C49.6,	Zinc coated steel wires for use in over head electrical conductor
CSA C83-96	Line Hardware
CSA G164	Galvanization
CSA-C411.1	AC Suspension insulators
CSA-C61089:03	Round wire concentric lay over head electric stranded conductor
CSA-C60889:03,	Hard drawn aluminum wire for overhead line conductors
CSA-C60888:03,	Zinc-Coated Steel Wires for Stranded Conductors"
IEEE P-524	Guide to the Installation of Overhead Conductors
IEEE P-524	Guide to Grounding during the Installation of Overhead Transmission Line
IEEE P-951	Guide to the Assembly and Erection of Metal Transmission Structures.
IEEE P-977	Guide for the Installation of Foundations for Transmission Line Structure
IEEE P-1441	Guide for the Inspection of Transmission Line Construction

IEEE P-1243	Design Guide for Improving the Lightning Performance of Transmission Lines
IEEE Std.751	Design guide for wood transmission structures
IEC 61987	Over head lines requirements and tests for Stockbridge type vibration dampers
ASCE Manual 111	Reliability-Based Design of Utility Pole Structures

These standards are accepted as the common industry practice and that issues of stray voltage, corrosion and cable identification are covered by them.

Question

4. Ex B/T6/S5 – CIA

The CIA that was filed with the application is identified a "draft". Please explain why the CIA is classified as a "draft"? Please provide the "final" CIA if available? If the "final" CIA is not available at this time, please indicate when the "final" CIA will be available/filed?

Response

fcThe CIA is a Draft in order to provide other connected customers an opportunity for comment. On June 10, 2011 Hydro One confirmed that it had not received comments from other connected customers. Attached is a copy of the Final CIA.

Hydro One Networks Inc.
483 Bay Street
Toronto, Ontario
M5G 2P5

Customer Impact Assessment

RLGM Supply System Expansion

Revision: Final
Date: June 10, 2011

Issued by: Transmission System Development Division
Hydro One Networks Inc.

Prepared by:

Raj Ghai

Senior Network Management Planning Engineer
Transmission Planning
Hydro One Networks Inc.

Reviewed by:

Ibrahim El Nahas

Manager
Transmission Planning
Hydro One Networks Inc.

DISCLAIMER

The Customer Impact Assessment was prepared based on preliminary information available about the connection of the proposed Red lake Gold Mine system expansion. It is intended to highlight significant impacts, if any, to affected transmission customers early in the project development process and thus allow an opportunity for these parties to bring forward any concerns that they may have. Subsequent changes to the required modifications or the implementation plan may affect the impacts of the proposed connection identified in Customer Impact Assessment. The results of this Customer Impact Assessment are also subject to change to accommodate the requirements of the IESO and other regulatory or municipal authority requirements.

Hydro One shall not be liable to any third party which uses the results of the Customer Impact Assessment under any circumstances whatsoever for any indirect or consequential damage, loss of profit or revenues, business interruption losses, loss of contract or loss of goodwill, special damages, punitive or exemplary damages, whether any of the said liability, loss or damages arise in contract, tort or otherwise.

1.0 INTRODUCTION

1.1 Background

Goldcorp is currently supplied from Red Lake TS at 44 kV and they are planning to expand their mine site that will increase their future load needs to 60 MVA. To meet additional supply needs they are planning to build a new customer owned 115-44 kV, Transformer Station Balmer CTS. The Balmer CTS will be supplied from a 115 kV, 10.7 kilometer overhead wood pole transmission line with 795.0 ACSR conductor and two 3/8 inch galvanized steel sky wires. The new line would be tapped from Hydro One owned 115 kV line E2R at Harry's Corner about 5 kilometers south of Red Lake TS. A motorized disconnect switch will be installed near Harry's corner and a 115 kV circuit breaker at Balmer CTS to isolate the 115 kV supply line. The Tap point on 115 kV line E2R, 5 kilometer south of the Red Lake TS will become the interconnection point.

Balmer CTS will have two 25/42 MVA 115-44 kV transformers operating in parallel and with two 44 kV feeders F11 and F21 to supply Goldcorp load. Figure 1 shows the single line connection arrangement for the Balmer CTS to the 115kV line at Harry's corner. IESO has identified number of system improvements that would be required to incorporate Goldcorp additional load with the proposed facilities. The system improvements required are:

i. For load increase above 57 MVA and up to 63 MVA would require reactive compensation of 26 MVAR at Ear Falls;

ii. For load increase above 63 MVA and up to 73 MVA would require installation of a Load Rejection Scheme that would reduce load on 115 kV line E2R to 63 MVA in case of reduced generation resources in the area;

iii. Load levels in excess of 73 MVA require supplementary measures, some of which include, but are not limited to: upgrading the existing circuits, installing new transmission circuits or installing additional (drought independent) generation

As per Transmission System Code (TSC) customers adding load above 57 MVA would be responsible for the cost of all system upgrades. Hydro One plans to sign Connection and Cost Recovery Agreements (CCRA) with the customers to recover costs associated with system upgrades required as per IESO SIA.

1.2 Customers

The purpose of this CIA is to assess the potential impacts on the existing transmission connected customer(s) from 115 kV line E2R where Goldcorp is planning to tap their new line. Red Lake TS is an existing 15-44 kV TS supplied from the terminal point of E2R. Hydro One Distribution is the only transmission connected customer supplied from Red Lake TS.

2.0 METHODOLOGY & CRITERIA

2.1 Voltage

To establish the adequacy of Hydro One transmission system incorporating the proposed additional load facilities, the following post-fault voltage decline criteria were applied as per "IESO Transmission Assessment Criteria":
http://www.theimo.com/imoweb/pubs/marketAdmin/IMO_REQ_0041_TransmissionAssessmentCriteria.pdf

- The loss of a single transmission circuit should not result in a voltage decline greater than 10% for pre-transformer tap-changer action (including station loads) and 10% post-transformer tap-changer action (5% for station loads);
- The loss of a double transmission circuit should not result in a voltage decline greater than 10% for pre-transformer tap-changer action (including station loads) and 10% post-transformer tap-changer action (5% for station loads);
- Voltages below 50 kV shall be maintained in accordance with CSA 235.

The proposed customer connection is expected to meet OEB Transmission System Code and IMO connection requirements.

3.0 IMPACT ON CUSTOMERS

The existing transmission customers in the vicinity of the proposed new 115 kV tap from Hydro One transmission Line E2R is Red Lake TS. IESO SIA requires system upgrades (26 MVAR cap banks at Ear Falls SS and Load Rejection scheme) before load above 57 MVA can be added on the 115 kV line E2R. It is expected that Red Lake TS LV bus voltage performance will be minimally impacted after required system upgrades. Hydro One Distribution, the only transmission connected customer will see minimal impact due to addition of new line tap from E2R.

Short Circuit Assessment: The short circuit assessment was conducted using the "maximum system conditions" before and after connection of the Goldcorp 115 kV line. Balmer CTS connected to Goldcorp 115 kV line will be supplying load with small motors. This will have no impact on the short circuit level at Red Lake TS to affect existing customers. Therefore, no changes are required to the existing Hydro One equipment at Red Lake TS.

Voltage Performance: Red Lake TS is a winter peaking station. IESO detailed studies have shown with the required improvements there will be no voltage decline on the 44 kV bus will be essentially unaffected.

Customer Supply Reliability: The proposed Balmer CTS will be connected to 115 kV circuit E2R through Goldcorp 115 kV line. The protections on the new line will isolate the line and will have minimal impact on performance of E2R.

4.0 IMPACT ON AREA SUPPLY

Connection of the 115 kV Goldcorp line will impact the area load supply capability and reliability during faults on their 115 kV facilities. The protections should be able to isolate the faulted equipment quickly so that supply to Red Lake TS is not impacted. Goldcorp being the new load would be the first one to be tripped or substantially reduced before Red Lake TS is asked to reduce their load.

5.0 CONCLUSIONS

The overall findings of the Customer Impact Assessment are summarized below:

1) Goldcorp new 115 kV line will have minimal impact on local supply facilities.
2) Goldcorp 115 kV line has no adverse impact on the area short circuit.
3) The connection of the Goldcorp 115 kV line to 115 kV transmission line E2R is expected to not materially reduce reliability of line E2R.

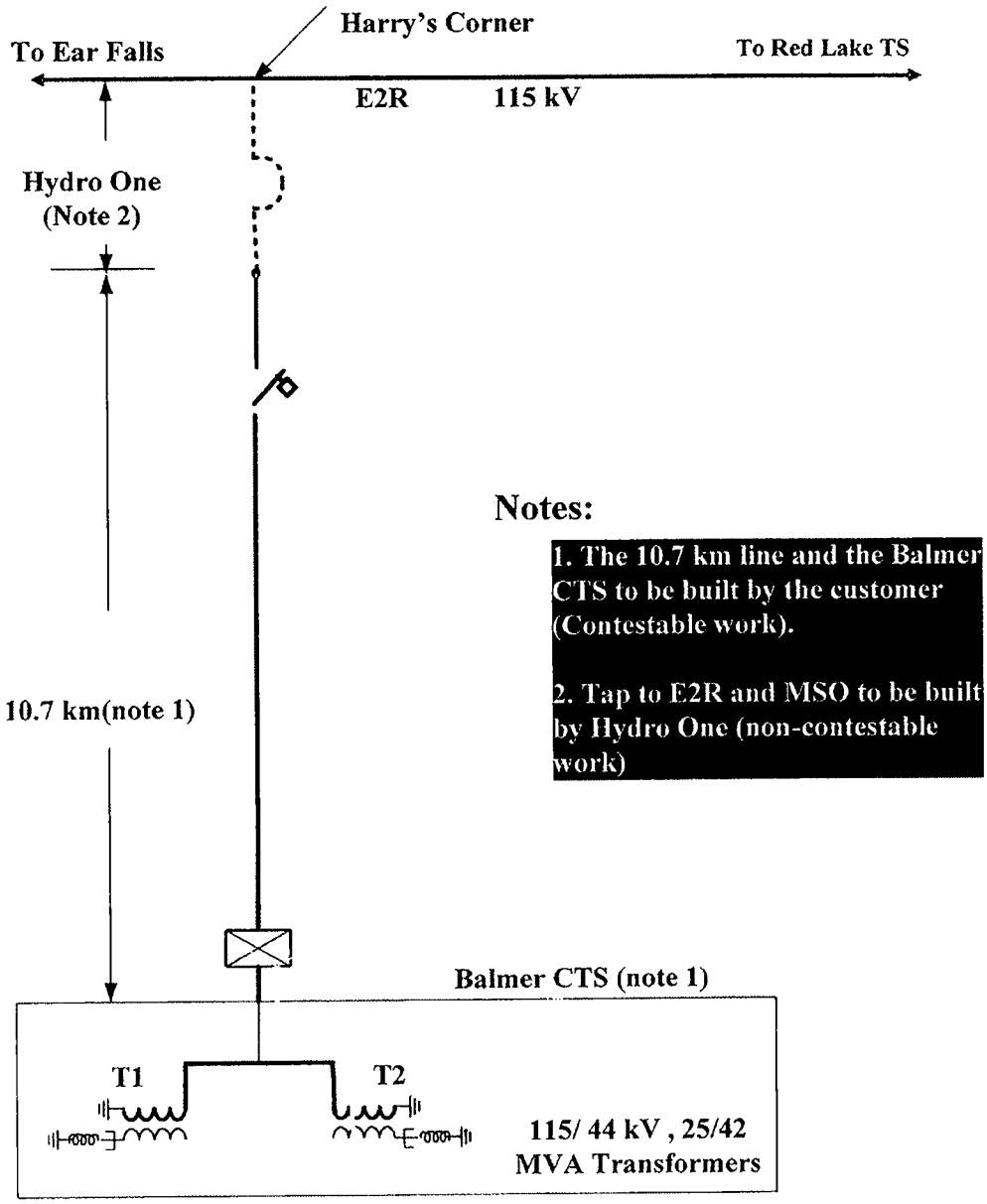

Figure 1: Proposed Goldcorp 115 kV Line and Balmer CTS

Question

5. Ref: Environmental Assessment

1. At the oral hearing of the motion Goldcorp indicated that the proposed project had not yet been approved under *Class EA for Resource Stewardship and Facility Development* and that it was not known when the subject approval would be provided. Please provide an update on the status of the pending Class EA approval if further/new information is available at the time of filing this interrogatory response.
2. What is the latest date by which Goldcorp must have the necessary approvals regarding the pending Class EA, if Goldcorp is to meet its target in-service date of December 2011?

Response

1. The status of the approval of the Class EA for Resource Stewardship and Facility Development is as described the June 6, 2011 letter from the Ministry of Natural Resources filed with the Board on June 8, 2011.

2. According to SNC-Lavalin's current project schedule the latest date Goldcorp could receive necessary approvals and meet the proposed December 2011 in service date was June 13, 2011. Goldcorp is currently reviewing that schedule but it is obvious that time is of the essence.

Question

6. Ref: Construction Schedule
At Ex B/T5/S2/p.1 Goldcorp has provided a construction schedule. According to this schedule, construction of the transformer station was expected to commence on May 1, 2011 and construction of the line is expected to commence August 1, 2011. Construction is forecast to be completed by December 2011. This schedule also indicates that the EA approval is expected by April 2011.

1. If the proposed transmission facilities are not commissioned by December 2011, what interim measures does Goldcorp plan to rely on in relation to its electricity requirements, until the project is completed?

Response

If by October 1, 2011 it appears to Goldcorp that the facilities will not be in service by the end of Q4 2011 it will be necessary for Goldcorp to review the impact of a Q1 2012 in-service date for the 115 kV transmission line on its operations based on permitting requirements for diesel generators which include a Certificate of Approval, approval under Ontario Regulation 116/01 and an Environmental Screening Process. This option would not meet Goldcorp's power requirements for 2012.

As stated in the application at Exhibit B, Tab 3, Schedule 1, these units would create green house gases and air pollution. In addition, Goldcorp would have to perform a Class EA (Resource Recovery and Facility Development) and apply for a Certificate of Approval for Air and Noise under the Environmental Protection Act. These processes would add to the time required to put such facilities into service.

1. Application and Evidentiary Amendments

Question

Please provide a detailed list of any and all amendments/additions that have been made to the application, or that the proponent intends to make, and/or to any evidence that has been filed in support of the application. Please include the previous statement/evidence followed by the amended version in a distinguishable format on the list.

Response

Any amendments to Goldcorp's evidence were identified in the transcript of the June 7, 2011 hearing. All additions to the evidence have been filed with the Board and are available at the Board and on its website.

Question

2. Project Need (A)

Preamble:

On Exh. A/T 1/S 1/p. 2 and 3, Goldcorp references the IESO's *"18 Month Outlook"* and quotes that the area served by the Ear Falls TS is identified as having "no margin to support expected load growth."

Goldcorp's proposed project will tap into the E2R line between Ear Falls TS and Red Lake TS and presumably add additional load on the Ear Falls TS.

Further, in the IESO's System Impact Assessment Report dated January 21, 2011, the IESO states on page (i) that "GoldCorp Canada Ltd. has advised that it requires between 11.2 MW and 12 MW of initial supply at the new Balmer substation. GoldCorp Canada Ltd. acknowledges and accepts that: (a) there are existing grid limitations in the Ear Falls area which may result in available supply to the new Balmer substation that is less than the applicant's required initial supply; (b) the applicant will accept the available supply and make up the balance through other means, including from generators, not connected to the IESO controlled-grid."

Questions

a) Please reconcile how adding additional load to the Ear Falls TS can be accommodated when the IESO states that the area served by the Ear Falls TS has "no margin to support expected load growth."

b) Even if the proposed project moves ahead, will Goldcorp be installing additional diesel or other generators as referenced by part (b) of the statement from the IESO in their SIA which states that Goldcorp will be making up the additional supply from "generators, not connected to the IESO controlled-grid"?

c) If the answer to part (b) above is yes, please reconcile with the dismissal of "Temporary Use of Diesel Fired Generation" under "Alternatives Considered" under Exh. B/T 3/S 1/ p. 1.

Response

a. As stated in the IESO's SIA (provided at Exhibit B, Tab 6, Schedule 3), the capacity of the Ear Falls TS can be increased to in excess of 73 MVA by supplementary measures, some of which include, but are not limited to:

- Providing reactive compensation;
- Installing a Load Rejection Scheme;
- Upgrading the existing circuits

- Installing new transmission circuits; or
- Installing generation that is independent of drought.

Goldcorp is also considering the possibility of purchasing electricity produced in Manitoba to supplement the electricity provided at Hydro One's Ear Falls TS. This possibility would not materialize prior to 2012.

b. At this time, if temporary diesel generators will be required, it is unknown whether it will be dependent on whether the remedial actions identified in the response to part a) above can be entered into service and how closely Goldcorp's load tracks to its load forecast.

c. Please see the response to b. above.

Question

3. Project Need (B)

Preamble:

On Exh. B/T 1/S 1/p. 3, Goldcorp states that "Supplying these loads off HONI's M6 line could be achieved if Goldcorp off-loads some of its electricity supply requirements from HONI's M6 onto its proposed new facilities, ***provided they can be commissioned by Q4 2011***." (emphasis added)

Question

a) Please provide a detailed explanation as to why HONI's M6 cannot supply these other loads once Goldcorp's proposed facilities are commissioned, even if that commissioning occurs later than Q4 2011.

b) Does Goldcorp plan on disconnecting (i) the Cochenour complex, (ii) Campbell complex, Red Lake complex and (iii) Balmer complex from the M6 / M3 lines if the proposed facilities are installed?

Response

a. At present, HONI's M6 line and the associated distribution infrastructure are fully loaded. If Rubicon Minerals' proposed 44 kV line was entered into service in 2012 without Goldcorp's proposed 115 kV line being commissioned by Q4 2011, Rubicon Minerals would need to construct a new feeder line emanating from HONI's Red Lake TS. However, once Goldcorp's proposed 115 kV facilities are entered into service it will be possible for Rubicon Minerals to avoid constructing this new feeder line.

b. Goldcorp's plan for disconnecting the identified facilities, other than its Cochenour complex, depends on a number of factors including:
   - the achieved in service date of its proposed 115 kV line;
   - the level of required bypass compensation (stranded assets);
   - the status of Rubicon Minerals' project

   As of this date, Goldcorp has not prepared a final disconnect schedule but has decided that its Red Lake complex load will be the first to be served by the proposed 115 kV line.

Question

4. Rubicon Minerals Load Requirements

Preamble:

On Exh. A/T 2/S 1/p. 2, Goldcorp indicates that "Rubicon Minerals has indicated to Goldcorp and HONI that it would like to utilize any capacity at the Red Lake TS freed up by Gold Corp's (sic) utilization of the proposed facilities."

Question

a) Please provide any details that Goldcorp may have in relation to how Rubicon Minerals plans to utilize any freed up capacity at Red Lake TS.

b) Given the stated requirements of Rubicon Minerals, have any alternative options been considered which would meet the objectives of both Goldcorp and Rubicon? For example, a transmission line which services both parties.

Response

a. Goldcorp and Rubicon Minerals have met to discuss this matter. Rubicon Minerals has indicated that it will utilize capacity freed up at Hydro One's Red Lake TS by the commissioning of Goldcorp's proposed facilities to the extent of Rubicon's current and future electricity requirements. The intent is to shed the Red Lake complex from M6 onto the new feeder allowing the required capacity for Rubicon to tie onto M6.

b. No. Rubicon Minerals proposed 44 kV line was developed at a point in Goldcorp's planning schedule that did not accommodate such co-operation. Rubicon Minerals has informed Goldcorp that for geographical reasons it is more cost effective for Rubicon to tie onto Hydro One's M6 rather than the proposed Balmer Complex TS.

Question

5. Alternatives Considered

Preamble:

On Exh. B/T 3/S 1/ p. 1-2, Goldcorp states that many of the alternatives are not feasible given that they would not be in service by Q4 2011.

Question

If the proposed facilities are not able to be in service by Q4 2011, does this change the evaluation of any of the alternatives? For example, will natural gas fired generation or diesel generators become a more viable alternative if the proposed facilities are not in-service by Q4 2011?

Response

Please see Exhibit C, Tab 1, Schedule 6.

Gas fired electricity generation is not expected to be available any earlier than Q1 2013. Because there are significant environmental permitting requirements required for natural gas fired electricity generation (eg., Class EA (Resource Recovery and Facility Development) and Air Emission Certificate under the Environmental Protection Act) the in-service date for such generation could be later than Q1 2013.

Question

6. Load Forecast

Preamble:

In Exh. B/T 6/S 4, Goldcorp provides a load forecast for Red Lake which indicates an over 50% increase in load between 2010 and 2015.

Questions

a) Please explain how this load growth can be accommodated with the proposed facilities.

b) Will additional facilities need to be constructed in order to accommodate this load growth?

Response

a. The proposed 115 kV facilities will not be sufficient to accommodate the forecasted load growth.

b. In order to accommodate future load growth, the recommendations of the IESO, as identified in the SIA, would need to be implemented.

Question

7. Regional Planning (A)

Preamble:

On Exh. B/T 1/S 3/p. 3, Goldcorp states that "Two other parties, Rubicon Minerals Corporation and Pikangikum First Nations, both propose to increase their loads and want to take service from the M6 feeder line."

Question

a) Has Goldcorp approached Rubicon Minerals Corporation or Pikangikum First Nations regarding a coordinated approach to the region's energy needs that may, among other things, minimize land use impacts and reduce overall costs?

b) If the answer to (a) is yes, what options were considered and what were the outcomes of these discussions?

Response

a. Yes, Goldcorp has met with both Rubicon Minerals and Pikangikum regarding the proposed project.

b. Both Rubicon Minerals and Pikangikum expressed interest in the project. Goldcorp is unable to provide detail as all discussions with Rubicon Minerals and Pikangikum are confidential communications privileged.

Question

8. Regional Planning (B)

Preamble:

On May 31, 2011, the Ontario Power Authority ("OPA") held a stakeholder consultation session related to their Integrated Power System Plan 2011. On page 35 of the presentation on transmission entitled "IPSP 2011 Stakeholder Consultation: Transmission Planning" (available on the OPA's website), the OPA makes reference to "Red Lake options" being considered which include: (1) Upgrade existing 115 kV lines; (2) New 115 kV lines; (3) Demand Response.

We note that the OPA is ***not*** listed as a party that Goldcorp had identified as a stakeholder that may have an interest in the proposed transmission facilities under Exh. B/T 6/S 6/ pp. 1 – 3.

Question

a) Has Goldcorp held discussions with the OPA with respect to the proposed facilities and the larger plan that the OPA is drafting?

b) If the answer to (a) is no, why did Goldcorp not believe it necessary to consult with the OPA who is the system planner?

c) If the answer to (a) is yes, what were the outcomes of those discussions?

d) Further, if the answer to (a) is yes, is the OPA supportive of the proposed facilities?

e) If the answer to (a) is yes, why was the OPA not listed under Exh. B/T 6/S 6?

Response

fc

a. Yes. In addition, Goldcorp served a copy of its Application on the Ontario Power Authority and notes that the Ontario Power Authority did not intervene in this proceeding.
b. Not applicable.
c. Goldcorp discussed the project with Amir Shalaby, Vice President Planning at the Ontario Power Authority. He stated that the Ontario Power Authority was interested in any plans that Goldcorp had for constructing new transmission facilities or obtaining electricity from Manitoba. In addition, Goldcorp has stressed the need for re-inforcement of the electricity grid in the Red Lake area.
d. To the best of Goldcorp's knowledge, the Ontario Power Authority has not stated its position on Goldcorp's proposed facilities.
e. No approval was required from the Ontario Power Authority.

Question

9. Permits and Approvals

Preamble:

On Exh. A/T 1/S 1/ p. 3, Goldcorp states that "Final approval under the Class EA for Resource Stewardship and Facility Development and all permits are expected by April 26th, 2011."

Further reference can be found in the Affidavit of Angela Brooks under paragraph 11 which states: "I have been informed by officials in the Ministry of Natural Resources (MNR) that MNR will sign off on Goldcorp's Environmental Study Report in respect of the Class Environmental Assessment for Resource Stewardship and Facility Development and issue all MNR permits respecting Goldcorp's proposed facilities by approximately April 26, 2011."

Question

a) Please provide details on which permits are being requested from MNR.

b) Please provide details on which permits are requested from any other provincial or federal agency, board, or ministry.

c) Please provide an update on the status of all outstanding permits and if they have not yet been received, their anticipated date of receipt.

Response

a. The permit requested from the Ministry of Natural Resources is a Work Permit issued under the Public Lands Act. Please see Goldcorp's response to Undertaking JM1.2 filed June 8, 2011.

b. Please see the response to Undertaking JM1.1 filed on June 7, 2011 viz., Schedule of the Permits Outstanding and Expected Completion Dates.

c. Please see the response to b.

Question

10. Ongoing Stakeholder Consultations

Preamble:

On Exh. A/T 1/S 1/p. 3, Goldcorp states "Goldcorp has and will ensure stakeholders' issues are addressed."

Question

Please provide details with respect to Goldcorp's plan to address stakeholder concerns and issues with particular reference to Aboriginal concerns.

Response

Please see Exhibit C, Tab 1, Schedule 12.

Question

11. Stakeholder Opposition

Preamble:

On Exh. A/T 2/S 1/ p. 5, Goldcorp states that "... no one has expressed any concern about the construction of either the Balmer Complex TS or the proposed 115 kV line."

Question

Please provide any supporting evidence on which Goldcorp relies to make this assertion.

Response

Please refer to Exhibit B, Tab 6, Schedule 1. Goldcorp's witness testified that Goldcorp, between June 2010 and the end of February 2011, did not receive any requests to 'bump up' the EA review. No First Nation requested to meet with Goldcorp concerning the subject project; this was discussed by Mr. Angeconeb and Mr. Blue in the hearing on June 7, 2011.

Question

12. Stakeholder Consultations

Preamble:

On Exh. B/T 6/S 6/p. 4, Goldcorp states that:

> "(d) Reasonable and ongoing efforts will be made to identify and engage potentially affected stakeholders to facilitate incorporating their input into the decision-making process, including the analysis of alternatives, route selection, design, mitigation and monitoring.
>
> (e) Stakeholder input to be considered in the context of other considerations, including legislative and permitting requirements, environmental, technical, safety and cost-effectiveness considerations".

Question

Please reconcile the above the statement included in the Leave to Construct application with the failure to address the concerns of the Lac Seul First Nation.

Response

Goldcorp made reasonable and ongoing efforts to consult with the Lac Seul First Nation in order to hear any concerns it might have with Goldcorp's proposed 115kV electricity line project. Please see:

- KM1.2: emails and letters between Lac Seul First Nation and Goldcorp;
- KM1.3: email dated August 24, 2010; and
- Cross examination of Chris Angeconeb by Mr. Blue on June 7, 2011 at pages 65-82 of the transcript.

Goldcorp's position is that Lac Seul First Nation declined to meet with Goldcorp to discuss project alternatives, route selection, design, mitigation or monitoring. Goldcorp remains prepared to meet with the Lac Seul First Nation at any time to discuss the proposed project and to hear Lac Seul's concerns about it.

Question

13. Possible Ratepayer Impacts

Preamble:

On Exh. A/T 2/S 1/ p. 2, Goldcorp states "All Project costs will be funded by Goldcorp from internally generated funds."

However, the IESO's SIA on page (ii) indicates that additional reactive compensation or a load rejection may be necessary under certain circumstances. The IESO goes on to state that circumstances above 73 MVA may require "upgrading the existing circuits, installing new transmission circuits or installing additional (drought independent) generation."

We also note that in Goldcorp's load forecast filed under Exh. B/T 6/S 4, a load exceeding 73 MVA will be reached in 2014.

Question

a) Will there be any impacts on electricity rates due to the project (*e.g.*, increased OM&A for HONI, additional upgrades required by HONI)?

b) If so, please provide a breakdown and details with respect to what the impact on electricity rates will be.

c) If installation of additional equipment (not covered by this Leave to Construct application) is required, please provide details as to what equipment is necessary, its location and who will be responsible for its installation and the associated costs.

Response

a. Goldcorp has been informed by Hydro One that the terms of the asset transfer must not result in any negative impacts on electricity rates as a result of the proposed facilities being entered into service. Please see Exhibit C, Tab 1, Schedule 2.

b. Goldcorp does not have this information as of this writing. It is expected that Hydro One will make it available in the first Hydro One transmission rate application filed subsequent to the transfer of the subject facilities.

c. The required equipment is identified at Exhibit B, Tab 4, Schedule 1.

Question

14. Transfer to Hydro One

Preamble:

On Exh. A/T 1/S 1/ p. 4, Goldcorp indicates, "Goldcorp and HONI are working together on the transfer arrangements and on the preparation of Construction Cost Recovery Agreements."

Question

a) What is the status of these discussions?

b) If these discussions have been finalized, please provide copies of the Construction Cost Recovery Agreements and any other relevant agreement between HONI and Goldcorp with respect to this project.

Response

a. Please see Exhibit C, Tab 1, Schedule 2.

b. Please see Exhibit C, Tab 1, Schedule 2.

Question

15. Agreements with Rubicon

Preamble:

In the letter of endorsement of the project from Rubicon Minerals Corporation, filed under Exh. B/T 6/S 2, Daryl Boyd of Rubicon Minerals Corporation notes "... we look forward to finalizing our legal agreement to formalize our collaboration on this important project."

Question

a) What is the nature of this legal agreement?

b) Please file a copy of the agreement if finalized or the latest draft copy if not yet finalized.

Response

a. The legal nature of the agreement is to record a grant by Goldcorp of an easement to Rubicon Minerals for road access and electricity distribution line purposes. At this time the agreement is inchoate.

b. When executed, the agreement will be confidential as between the parties and commercially sensitive. Goldcorp claims a commercial confidence privilege with respect to drafts.

Question

16. Benefits of Goldcorp's Proposal (A)

Preamble:

On Exh. B/T 1/S 3/ p. 3, Goldcorp states that "Failure to realize its Mine Development Plan will result would restrict Goldcorp's mining operations, would result in certain and significant job losses in the Red Lake area, and certainly would not create any new jobs."

Question

a) Please provide an estimate as to how many jobs would be lost if Goldcorp was not able to realize upon its Mine Development Plan.

b) Could significant job losses be avoided, if the project is not serviceable by Q4 2011, through the use of alternatives in the interim?

c) Please provide a copy of Goldcorp's Mine Development Plan.

Response

a. This information would be speculative and would be highly sensitive. Because Goldcorp is the most significant employer in the area the release of such information at any time would create unnecessary concern and anxiety in the community. Goldcorp refuses to make the requested estimate.

b. Goldcorp is hopeful that this would be the case.

c. Goldcorp's Mine Development Plan is confidential and Goldcorp claims a confidential communication privilege with respect to it.

Question

17. Benefits of Goldcorp's Proposal (B)

Preamble:

On Exh. B/T 1/S 3/ p. 3, Goldcorp states, "At present, when Goldcorp turns on its heavy mining hoists, there is a needle like increase in demand and everyone in the Red Lake area notices that their lights dim or TV's darken."

Question

Are there alternatives – either other equipment or operating practices – which Goldcorp could install/implement (apart from this project) which would reduce Goldcorp's current negative impact on electricity quality in the Red Lake area?

Response

Goldcorp has alternatives which might reduce the negative impact on power quality; it could install expensive thyristor switch VAR compensators, which should have a positive impact on power quality but would not have any impact on electricity deliverability. The addition of the 115 kV line will help to address both electricity quality and deliverability. If, after the new line is installed, Goldcorp finds it still needs to address electricity quality, then the amount of required VAR compensation would be less than that required without the proposed line.