

**ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998* (the "Act"), S.O. 1998, c.15, Schedule B;

**AND IN THE MATTER OF** an application by Summerhaven Wind LP under section 92 for an order or orders granting leave to construct a new 9 km long 230 kV single circuit overhead transmission line and related facilities.

**SUBMISSIONS OF THE INDEPENDENT  
ELECTRICITY SYSTEM OPERATOR - REVISED**

1. Pursuant to Procedural Order No.6 issued by the Ontario Energy Board (the "Board") on May 27, 2011, the IESO wishes to make submissions on the application by Summerhaven Wind LP ("Summerhaven") for an order granting leave to construct a new 9 km long 230 kV single circuit overhead transmission line and related facilities to connect the proposed Summerhaven Wind Energy Center ("SWEC") to the IESO-controlled grid. The IESO relies upon the conclusions, requirements and recommendations of the System Impact Assessment (the "SIA") report which was filed by Summerhaven as part of its pre-filed evidence (Exhibit B, Tab 8, Schedule 2) in this matter. The IESO's additional comments will be confined to issues relating to the recommendation for construction of a common switching station to jointly connect the SWEC and Capital Power's Nanticoke Port Dover wind project which is to be connected approximately one kilometre from the SWEC project.

2. The IESO accepts that Summerhaven must undertake various regulatory reviews and requirements, some of which must be carried out concurrently to enable it to meet the targeted in service date for its wind project; however, the IESO believes that the threshold for rejecting a more superior connection option or configuration should be considerably higher than that advanced by Summerhaven (and Capital Power). Summerhaven has acknowledged that the basis for not acting on the IESO's recommendation amounts to one of timing and convenience, wherein doing so would delay its Renewable Energy Approval

Process (the “REA”). At the May 17, 2011 Technical Conference, in response to Counsel to Board Staff questions regarding this matter, Summerhaven states the following (Technical Conference Transcript, Page 82, lines 15-21):

“The parties did have discussions on various options that would allow a joint connection. The big issue ended up being, because both parties [Summerhaven and Capital Power] had already publicly submitted their designs for REA consultation, that we couldn't come to any approach that would conclusively avoid delaying both projects such that we wouldn't be able to meet our feed-in tariff milestone dates.”

3. Capital Power's Mr. Zhlatc added to the discussion by stating, among other things, that [Technical Conference Transcript, Page 94-95, line 26...]:

“... [t]he bottom line, I think, is what [Summerhaven] explained very well. I don't think either company was averse to doing a common connection. The fact is both of us were well advanced in our REA permitting at the time, and we were hit with the proposal [common switching station] pretty late in the game and it would have required one of us to get back out in the field and start doing a lot of additional environmental studies. And it would have been -- one of us would have -- a project would have been delayed...”

4. The IESO does not agree with the assertion that Summerhaven and Capital Power were “hit with the proposal” for a common switching station and that the parties were informed of the preferred connection configuration “pretty late in the game”. The IESO’s Connection Assessment and Approval process is a fairly transparent and well established process. Particularly, in accordance with section 25.37(2) of the Electricity Act, 1998 and Ontario Regulation 326/09, parts 3(1)(2), the IESO must undertake and provide a completed SIA and CIA report within 150 days where a generator is seeking to connect a renewable generation facility. In other words, the generator is required to plan its project and related development activities on the basis of, at the minimum, 150 days for completion of the connection assessment, including specification and conditional approval of all necessary connection requirements and recommendations. Doing otherwise means that the generator accepts all risks that may arise from adopting a more aggressive planning timeline.

5. The preliminary findings and recommendations were presented jointly to both connection proponents on September 2, 2010, approximately 78 days from the date of receiving the earliest completed connection assessment application. Both of the final reports were issued within 145 days, clearly within the required planning horizon as prescribed by Ontario 326/09.<sup>1</sup> In the IESO's view, by presenting the preliminary results and recommendations early in the connection assessment process this provided ample time and basis for the connection proponents to accommodate the common switching station option in their plans, in the same way that this is expected of all other technical requirements that are specified in the final report.

6. Summerhaven (and Capital Power) also submitted that, additionally, the basis for not acting on the common switching station recommendation came down to a matter of convenience as this would have adversely impacted their REA process. As a general observation, issues related to the REA process are outside the scope of the Board's jurisdiction and the leave to construct review and approval process specifically. In fact, in Procedural Order No. 1, the Board clarified the scope of its jurisdiction in this matter by stating that "...issues related to the [REA] process of the Project are beyond the scope of this proceeding." The Board also goes on to say that "...issues related to any environmental approvals required for the facilities for which the [Summerhaven] seeks leave to construct or for the SWEC are also beyond the scope of this proceeding." In other words, the Board's review and approval of the facilities that are required to connect the projects to the IESO-controlled grid should not be based on the convenient timing or completion of the REA process or any other required environmental approvals.

7. While it was determined that the single switching station option did not have a material impact on reliability requirements, the IESO believes that where there is a superior connection option or solution (e.g., it is conclusive that the solution will materially improve reliability, provides for increased efficiency and operational control and flexibility, as well as result in overall cost savings), this should be acted on where it can be reasonably

---

<sup>1</sup> Ontario Energy Board Compliance Filing, Reporting and Record Keeping Requirements for Renewable Generator Connections for Fourth Quarter of 2010, January 20, 2011.

accommodated in the transmission development and expansion plan. Among the other benefits that are discussed elsewhere in the record of this proceeding (e.g., SIA, Hydro One's interrogatory responses), this will also provide an incentive to encourage greater collaboration between developers, transmitters and the IESO to ensure that the most efficient outcome is achieved to the extent possible. Additionally, this will enable more effective expansion or reinforcement of transmission facilities resulting in a more robust and flexible integrated power system.

8. It is expected that there will be numerous similar situations going forward, especially given the number of projects that are currently in the pipeline and planned. The IESO's current mandate doesn't specifically empower it to enforce or impose an optimum connection alternative or solution in respect of connection assessment proposals that are carried out by the IESO. Given this gap in the planning process, the IESO would encourage the Board to take a holistic approach to its review and consideration of this issue, with the aim of providing a "balanced" outcome in this proceeding, but more importantly, provide clearer guidance for how such issue should be dealt with in the future when parties are faced with such situations. Also, the IESO encourages the Board, as deemed necessary, to consider the most appropriate regulatory mechanism by which this should be instituted (e.g., Compliance Bulletin).

**ALL OF WHICH IS RESPECTFULLY SUBMITTED,  
THIS 22<sup>ND</sup> DAY OF JUNE, 2011**

***Original signed by***

---

Carl Burrell  
Senior Regulatory Analyst  
Independent Electricity System Operator

cc. Ms. Kristyn Annis, Counsel to Summerhaven Wind LP (By Email)  
All Intervenors (By Email)