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JUN 29 2011

ONTARIO ENERGY BOARD

Richard P. Stephenson  
T 416.646.4325 Asst 416.646.7417  
F 416.646.4335  
E richard.stephenson@paliareroland.com  
[www.paliareroland.com](http://www.paliareroland.com)

File 10329

June 28, 2011

VIA RESS FILING AND COURIER

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, Ontario M4P 1E4

Dear Ms. Walli

**Re: Hydro One Networks Inc. Application for six-month Exemption from Sections 6.2.6 and 6.2.7 of the Distribution System Code (EB-2011-0118)**

Attached please find the Power Workers' Union's submission with regard to Hydro One Networks Inc.'s request to the Ontario Energy Board for an immediate, interim stay of the obligations specified in sections 6.2.6 and 6.2.7.

Yours very truly,

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

Richard P. Stephenson  
RPS:jr

encl.

cc: Hydro One Networks Inc.  
483 Bay Street, 8<sup>th</sup> Floor, South Tower  
Toronto ON M5G 2P5  
Attention: Pasquale Catalano (via email: [regulatory@hydroone.com](mailto:regulatory@hydroone.com))

Judy Kwik (via email)  
John Sprackett (via email)

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Jean-Claude Killey  
Jodi Martin  
Michael Fenrick  
Susan Brown  
Nasha Nijhawan

HONORARY COUNSEL  
Ian G. Scott, Q.C., O.C.  
(1934 - 2006)

**IN THE MATTER OF** the Ontario Energy Board Act,  
1998, S.O. 1998;

**AND IN THE MATTER OF** an Application by Hydro  
One Networks Inc. for an Order or Orders including  
an exemption from sections 6.2.6 & 6.2.7 of the  
Distribution System Code

**Comments of the Power Workers' Union on**  
**Hydro One Network Inc.'s Request for**  
**An Immediate, Interim Stay of the Obligations of**  
**Sections 6.2.6 and 6.2.7 of the Distribution System Code**

On June 22, 2011 The Ontario Energy Board ("OEB" or "Board") issued a notice of application and written hearing on Hydro One Networks Inc.'s ("Hydro One") application for a six month exemption from the timelines to connect micro-embedded generators specified in sections 6.2.6 and 6.2.7 of the Distribution System Code ("DSC"). Hydro One also requests the Board for an immediate, interim stay of the obligations specified in sections 6.2.6 and 6.2.7 of the DSC, as of the date of its application (April 19, 2011), until such time that the Board renders a final decision on this matter.

The PWU supports Hydro One's request for an immediate, interim stay of the obligations specified in sections 6.2.6 and 6.2.7 of the DSC, as of the date of the Application, until such time the Board renders a final decision on this matter.

The information contained in Hydro One's application establish in compelling detail the practical impossibility that Hydro One faces in achieving compliance with DSC sections 6.2.6 and 6.2.7 in the immediate term. A refusal of a stay will not change that reality. To be clear, a refusal of the stay will not result in the

connection timelines set out in the DSC being achieved. Rather, the consequences will be obvious

- a. Hydro One will be required to redeploy resources on an ad hoc basis, undermining its coordinated work plans required to fulfill its other obligations as a distributor, in a futile effort to achieve short term compliance with the DSC; and
- b. Compliance will not be achieved; Hydro One will risk the consequences of that non-compliance, prior to the Board having the opportunity to consider the merits of Hydro One's application.

In absence of the interim stay Hydro One will be out of compliance with sections 6.2.6 and 6.2.7 of the Code until such time as the Board renders a final decision on this matter. Such a circumstance leaves Hydro One vulnerable to regulatory repercussions for non-compliance with its licence conditions, which creates significant uncertainty for Hydro One. Further, there is concern on how licence non-compliance might be viewed by the public and the financial sector. Negative impressions will damage Hydro One's public image and financial credibility.

In this circumstance of non-compliance, one of the options available to a distributor would be to re-allocate efforts from other work programs such as sustaining projects and concentrate them on the connections. The PWU submits that such reallocation of efforts as a result of the OEB's denial of the requested stay is neither prudent nor cost efficient and will compromise Hydro One's ongoing distribution system service reliability performance.

Hydro One is candid and transparent on the challenges it is facing related to the timelines set out in sections 6.2.6 and 6.2.7 of the DSC. Awarding Hydro One the stay it seeks recognizes Hydro One's genuine challenges related to timeline obligations that were not developed for or tested in the reality that is the consequence of the Ontario Power Authority's highly successful microFIT program. Furthermore, a stay will provide relief from the pressure on Hydro One to concentrate all its efforts on the connections, allowing it to ensure that all of its obligations as a distributor are given appropriate attention and resources.

For the above reasons the PWU submits that the Board grant Hydro One the requested stay.

**All of which is respectfully submitted.**