

**Grand Renewable Wind LP Leave to Construct
Independent Electricity System Operator Interrogatories**

July 25, 2011

Interrogatory 1- Affiliates and Ownership Structure

Reference: Exhibit A/Tab 2/Schedule 1/Para. 6, Page 2

Preamble: The reference notes that “the Proposed Facility will be used to connect the Grand Renewable Energy Park (the "**GREP**", the GREP and the Proposed Facility referred to collectively as the "**Project**") which is to be located in Haldimand County, Ontario, north of the Lake Erie shoreline and west of the Grand River. The GREP will consist of (i) a 153.1 MW (nameplate capacity) wind power generating facility (the "**Wind Project**", owned by the Applicant), and (ii) a 100 MW (nameplate capacity) solar photovoltaic generating facility (the "**Solar Project**", to be owned by a yet-to-be-formed special purpose vehicle ("**Solar LP**").”

Question/Request:

- (a) Please explain in detail the relationship between the “yet-to-be-formed special purpose [entity]” and the Applicant, SRE and Pattern LP.
- (b) Please confirm that the owner and operator of the proposed Solar Project will be a separately licensed generator.
- (c) Please update to the corporate chart shown in Exhibit A/Tab 3/Schedule 1/Page 1, or provide a new chart, to show the corporate ownership structure of the Solar Project.
- (d) Please show the corporate owner and operator for the Proposed Facility, Wind Project and Solar Project as follows:

Facility	Owner(s)	Operator
230 kV Transmission Line		
Collector Stations ¹		
Transition Stations		
Interconnection Station		
Wind Project		
Solar Project		

¹ Identify the owner and operator of each collector station.

Interrogatory 2 – Transmission Power and Non-Discriminatory Access

References: Exhibit A/Tab 2/Schedule 1/Para. 8, Page 2; Electricity Act, 1998, Section 26, and Ontario Energy Board Act, 1998, Sections 81 and 82 (1) and (3)

Preamble: The reference states that “[a]s the future owner and operator of the Wind Project, the Applicant will be deemed a generator pursuant to section 56 of the OEB Act [or “Act”] once the Wind Project achieves commercial operation. The Applicant therefore intends to submit a notice of proposal to own transmission facilities pursuant to section 81 of the OEB Act when it applies for a generating licence from the Board.”

Section 81 of the Act states that “[n]o generator or affiliate of a generator shall acquire an interest in a transmission or distribution system in Ontario, construct a transmission or distribution system in Ontario [emphasis added] or purchase shares of a corporation that owns a transmission or distribution system in Ontario unless it has first given notice of its proposal to do so to the Board and the Board,

- (a) has not issued a notice of review of the proposal within 60 days of the filing of the notice; or
- (b) has approved the proposal under section 82. 1998, c. 15, Sched. B, s. 81.”

In addition, Section 82(1) states that “[i]f the Board has issued a notice of review under section 80 or 81, it shall expeditiously proceed to review the proposal. 1998, c. 15, Sched. B, s. 82 (1);” and Section 82(3) requires that the Board “... make an order approving a proposal described in section 81 if it determines that the impact of the proposal would not adversely affect the development and maintenance of a competitive market. 1998, c. 15, Sched. B, s. 82.”

Question/Request:

- (a) Please clarify whether it is the Applicant’s position that, as part of this section 92 application and review, it is necessary for the Board to determine if the proposal satisfies fair and non-discriminatory access principles and will not adversely affect the development and maintenance of a competitive market, pursuant to the requirements of Sections 26 of the Electricity Act, 1998 and 81 of the Ontario Energy Board Act, 1998.
- (b) Were the Board to determine that the Applicant is exempted from the need to obtain a transmitter license, please discuss how the cost of service for transmitting electricity from the Solar Project to the IESO-controlled grid or from the grid to the Solar Project will be established, and specifically what process and factors will be used to ensure that the price or rate charged will be fair and non-discriminatory or no greater than that required to recover all reasonable costs.

Interrogatory 3 - Transmission System Code Obligations and Responsibilities

Reference: Exhibit A/Tab 2/Schedule 1/Para. 8, Page 3

Preamble: The Application notes that “[w]hile the Proposed Facility will be used to transmit the electricity generated from both the Wind Project and the Solar Project to the IESO-controlled grid, any electricity generated by the Solar Project will be transmitted for a price that is no greater than that required to recover all reasonable costs. In transmitting the electricity generated from the Solar Project, the Applicant therefore relies on section 4.0.2(1)(d) of Ontario Regulation 161/99, *Definitions and Exemptions* made pursuant to the OEB Act, to be exempt from the requirement to obtain a transmitter licence under section 57(b) of the OEB Act.”

Question/Request:

Should the Board grant an exemption from the requirement to obtain a transmitter licence:

Solar Project

- (a) Will the Solar Project be a transmission “customer” of Grand Renewable Wind LP? If not, who will the Solar Project be a customer of?
- (b) Will Grand Renewable Wind's proposed transmission facilities be used to transmit electricity to the Solar Project to provide “station” or “back-feed” services to the Solar Project during the development and commissioning phase or at any other time?

General

- (c) Will the relationship and/or transactions between Grand Renewable as owner-operator of the proposed transmission facilities and the Solar Project (or any other generation or load customer connected to the facilities) be governed by the Transmission System Code (TSC) including but not limited to the following sections of the TSC:
 - Chapter 4.0 (Standards of Business Practice and Conduct);
 - Chapter 5.0 (Requirements for Operations and Maintenance);
 - Chapter 7.0 (Compliance, Inspection, Testing and Monitoring);
 - Chapter 8.0 (General Technical Requirements);
 - Chapter 10.0 (Protection System Requirements);
 - Chapter 12.0 (Dispute Resolution); and
 - All Applicable Appendices.
- (d) If not, how will the relationship and/or transactions between Grand Renewable as owner-operator of the proposed transmission facilities and the Solar Project (or any other generation or load customer connected to the facilities) in respect of the foregoing areas be addressed?

Interrogatory 4 –Transmission System and Customer Impacts

Reference: Exhibit A/Tab 2/Schedule 1/Para. 12, Page 3; Exhibit B/Tab 5/Schedule 2/Page 74; Exhibit B/Tab 5/Schedule 3/Page 18

Preamble – It reference notes that “[t]he Applicant, via SRE, is in the process of completing a system impact assessment ("**SIA**") with the IESO. The draft SIA is expected to be delivered on or about March 23, 2011. The SIA will be filed with the Board upon completion by the IESO. A customer impact assessment ("**CIA**") is currently being completed by Hydro One Networks Inc. ("**Hydro One**") in order to assess the impact of the Project on the reliability of service for other transmission customers and will be filed with the Board as soon as it is completed. The Applicant will adhere to the requirements of the CIA and SIA in constructing the Proposed Facility.”

Question/Request:

- (a) Please confirm that the SIA and CIA were submitted to the IESO and Hydro One (and assessed by the IESO and Hydro One) without identifying the fact that the Wind Project and the Solar Project may be owned and operated by different entities. Assuming this is correct:
 - i. What steps will be taken to unbundle and allocate the connection obligations and other requirements contained in the SIA and CIA that are applicable to each of Grand Renewable Wind LP (i.e., the owner-operator of the transmitter/wind generator) and the owner-operator of the Solar Project (i.e., the generator customer)?
 - ii. When will the process for unbundling and re-allocating the applicable connection obligations and requirements contained in the SIA and CIA be commenced?