

September 13, 2011

Ontario Energy Board  
2300 Yonge Street  
P. O. Box 2319  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: TransCanada Power Transmission (Ontario) L.P. ("TPT") Electricity Transmission Licence  
EB-2011-0260**

The purpose of this submission is to respond to the Ontario Energy Board's (OEB) request for interested parties' input on potential effective dates for TPT's electricity transmission license and to address specific questions posed to the IESO by TPT in the TPT submission to the OEB from September 6, 2011.

With respect to the potential effective dates for TPT's license, the IESO does not have a particular position on any of the four proposals. Rather, the IESO believes its role is to clarify the extent to which IESO Market Rules and policies address the treatment of confidential information that may be required during the course of the designation process.

In the September 6th TPT submission to the OEB, TPT invited the IESO to clarify whether the IESO believes that it will be necessary for the IESO to release market participant confidential information in the course of the designation process and if so, whether the protection of that information could only be managed by imposing a licensing requirement.

As an input to the East-West Tie designation process, the IESO conducted an assessment of the transfer capability of various options for reinforcing the East-West Tie (the "Feasibility Study"). The Feasibility Study was filed on the public record along with a report from the OPA which describes the requirements for the line and defines a specific solution as its preferred option. The OPA's preferred solution with the additional requirements from the Feasibility Study is referred to as the "Reference Option".

Although the published Feasibility Study did not contain any customer specific confidential information, at this time the IESO cannot rule out the possibility that confidential information may be required for a subsequent feasibility study.

As noted in the OEB's invitation for applicants to indicate their interest in filing a plan for the development of the East-West Tie, an applicant may propose an alternative to the Reference Option. An applicant that proposes an alternative bears the onus of proving that the alternative is equivalent to the Reference Option in terms of performance, reliability, cost, etc. Providing the equivalency of the Reference Option would include a feasibility study prepared by the IESO or prepared by the applicant to the IESO's requirements. Depending on the nature of the

proposed alternative, there may be a need to access confidential information for the purpose of conducting the associated feasibility study.

Chapter 3, section 5.2 of the Market Rules does not permit the IESO to disclose or give access to confidential information as part of a feasibility study associated with a proposed transmission facility unless:

- the applicant is a transmitter (as defined in the Market Rules as “a person who owns or operates a transmission system”) and access to such information is necessary to enable the transmitter to prepare plans for the expansion or modification of the IESO-controlled grid; or
- explicitly ordered to do so by the OEB, in which case the Market Rules require the IESO to give prior notice to the affected market participant as soon as reasonably practicable to permit the affected market participant an opportunity to challenge such disclosure or seek terms and conditions in respect of any such disclosure.

If an applicant requires a feasibility study as part of the designation process and if that study requires confidential information as an input, the applicant can request the IESO to conduct that study and provide the results to the applicant absent any confidential information.

Yours truly,

Brian Rivard  
Manager, Regulatory Affairs and Sector Policy Analysis  
IESO