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BY E-MAIL ONLY

March 12, 2012

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

Dear Ms. Walli:

Re: Application by White River Hydro LP and Gitchi Animki Energy Limited Partnership as joint venture partners (previously the second applicant and joint venture partner was Pic Mobert First Nation)

Board File No. EB-2011-0420

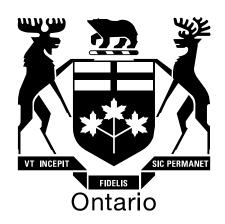
Pursuant to Procedural Order No.2, attached is a file containing Board staff interrogatories for the above proceeding for distribution to the Applicants and all intervenors of record in this proceeding.

Yours truly,

Original Signed By

Nabih Mikhail

Project Advisor, Electricity Facilities & Infrastructure



# **Board Staff Interrogatories**

# **Leave to Construct Transmission Facilities**

White River Hydro LP and Gitchi Animki Energy Limited
Partnership as joint venture partners
(previously the second applicant and joint venture
partner was Pic Mobert First Nation)

EB-2011-0420

Board Staff Interrogatories White River Hydro LP and Gitchi Animki Energy LP (EB-2011-0420)

### POWER PURCHASE AGREEMENT

# Interrogatory 1

Reference: Exh. A/Tab 1/Sch. 1/p. 2/par. 9

#### Preamble:

At the above Reference, it is indicated that power purchase agreements associated with the Hydro Facilities were awarded to the Joint Venture under the Feed-in-tariff Program.

## **Question/Request:**

(i) Given that a Joint Venture is not considered a legal person, please confirm that the power purchase agreements were executed by the two parties that formed the Joint Venture, being White River Hydro LP and Pic Mobert First Nation<sup>1</sup>.

# TRANSMISSION LINE ALTERNATIVES & STATUS OF THE ENVIRONMENTAL ASSESSMENT AND APPROVAL

# Interrogatory 2.

Reference: Exh. B/Tab 1/Sch. 5/p.1/par. 30

#### Preamble:

At the above Reference (paragraph. 30), the Applicants stated that:

An Environmental Review Report (ERR) for the Project that includes the Transmission Alternatives was prepared and submitted under the requirements of the Electricity Project Regulation (O. Reg. 116/01) environmental screening process. The public/agency review period ended on November 5, 2010 without any elevation requests being received. A statement of completion was subsequently filed with the Ministry of Environment (MOE). Following the filing of the Statement of Completion, the Applicants decided to consider an additional transmission line routing option that was not among the Transmission Alternatives considered and presented in the ERR. Only the Niizh Portion was altered in this new route, and is the route proposed in this Application that follows the Forest Service Roads. This preferred route for the Niizh Portion is considered to be a "minor" modification to the Project as it was proposed in the ERR. [underlining added for emphasis]

## **Questions/Requests:**

(i) Please clarify whether the Applicants obtained confirmation from the Ministry of the Environment ("MOE") that it agrees with the characterization that the change in the route i.e., the "Niizh Portion" is a "minor" modification and that the MOE still

<sup>1</sup> Pic Mobert First Nation as the second partner in the joint venture holds its 35% share indirectly via the Gitchi Animki Energy Limited Partnership, effective December 7, 2011.

- considers the EA process successfully completed? If not, please explain why this course was not pursued.
- (ii) Please file evidence that the MOE is aware of the change and will still grant approval of the EA process?

# **Interrogatory 3**

# References:

- (a) Exh. B/Tab 1/Sch. 5/p.1/par. 31
- (b) Exh. B/Tab 6/Sch. 1/pages 1 and 2/paragraph 62 to 66

# Preamble:

At Reference (a), paragraph. 31, the Applicants stated that:

Discussions were held with representatives of WRFP [abbreviation for White River Forest Products Limited], the Sustainable Forest Licence ("SFL") holder for the White River Forest. As the SFL holder, WRFP is responsible for both forest and road management within the area. WRFP stated that it had no objections to the proposed use of the Forest Service Road ROW for the Transmission Line. In any event, WRFP is merely a licensee and does not have any legal right to object to third party use of the Forest Service Roads, which are owned by the MNR.

# Questions/Requests:

- (i) Please provide the evidence that SFL had no objection to the use of the "Forest Service Road ROW for the Transmission Line"?
- (ii) Please indicate whether the Applicants communicated the change in the route of the Transmission Line, as described in paragraph 30 of the pre-filed evidence, to the parties identified in **Reference (b)** who participated in the "Community and Stakeholder Consultation"? If not, please provide an explanation as to why this was not done? If yes, please provide evidence that there was no objection to the change in the transmission route from the transmission route filed in the ERR with the MOE.

# CLASS ENVIRONMENTAL ASSESSMENT AND APPROVAL (for MNR Resource Stewardship and Facility Development Project) Interrogatory 4

## References:

- (a) Exh. B/Tab 7/Sch. 1/pages 1 -3/par. 80 and Table
- (b) A Class Environmental Assessment for MNR Resource Stewardship and Facility Development Project
- (c) Class Environmental Assessment for Minor Transmission Facilities, Pursuant to the Environmental Assessment Act
- (d) Exh. B/Tab 1/Sch. 5/p.1/par. 30
- (e) Exh. B/Tab 1/Sch. 5/p. 2/par. 34/third bullet

# Preamble:

At paragraph 80 of **Reference (a)** it is stated that:

Under the Canada-Ontario Agreement on Environmental Assessment Coordination (November 2004), a single harmonized report which addresses both the federal and provincial EA processes was prepared. The Project Information Report/Environmental Screening Review Report (the "PIP") is a harmonized report, and served as the basis for review by the relevant federal and provincial agencies. The PIP was prepared by Hatch on behalf of the Applicants.

At the Table on page 2 of **Reference (a)**, there are two completed MNR permits described as follows:

- Class EA for Resource Stewardship Facility Development (MNR Class EA RSFD); and
- Class EA for Provincial Parks and Conservation Reserves (MNR Class EA PPCR).

# At **Reference (e)** it is stated that:

 The new proposed route is considered an improvement over the previous one by the MNR, Ontario Parks, the SFL holder and the technical review personnel of the Applicants.

# **Questions/Requests:**

- (i) Please indicate how the MNR approvals, described in **Reference (b)**, relate to the MOE EA approvals described in **Reference (c)**.
- (ii) Did the Applicants receive the two MNR permits listed in **Reference (a)**, prior to the change in the route as described in paragraph 30 of the pre-filed evidence indicated in **Reference (d)**? If so, please provide evidence that the MNR's permits are still valid in spite of the noted change in the transmission route.
- (iii) Please provide evidence to corroborate the claim [see **Reference (e)**, at paragraph 34, third bullet] that the MNR, Ontario Parks, and SFL holder consider that the proposed route is an improvement over the route included in the EER that was filed with the Ministry of Environment.

#### COST RESPONSIBILITY FOR THE PROPOSED TRANSMISSION FACILITIES

### **Interrogatory 5**

Reference: Exh. A/Tab 1/Sch. 1/pp. 2-3/par. 10

# **Questions/Clarifications:**

(i) Please confirm that the Applicants will be responsible for the cost of the proposed 23.5 km of 115 kV transmission line, the two Switchyards (Niizh Switchyard and the Bezhig Switchyard) to connect the two hydroelectric generating sites, and the

Switching Station to connect the M2W circuit owned by Hydro One Networks Inc., all identified in paragraph 10 in the noted Reference above.

- (ii) Please provide the estimated costs of the transmission line, the two Switchyards, and the Switching Station.
- (iii) Please confirm that the provincial transmission rates will not be impacted by the proposed construction of the noted transmission and related facilities.

# **Interrogatory 6:** Stranded Assets and Decommissioning

Reference: Exh. A/Tab 1/Sch. 1/pp. 2-3/ Par. 10

#### Question/Request:

- (i) Please acknowledge the Applicants' responsibility for removing the transmission and related facilities if construction of these transmission facilities does not proceed or is interrupted due to unforeseen events such as the inability to acquire or secure the various permits or a *force majeure* event?
- (ii) Are funds for this purpose set aside, or guaranteed by any means? Please provide details.
- (iii) Please confirm that decommissioning costs are the responsibility of the Applicants.

# STATUS OF CUSTOMER IMPACT ASSESSMENT (TSC REQUIREMENT)

**Note:** This interrogatory requires that the Applicant make a request to Hydro One Networks Inc. to respond to the question/clarification outlined below before the deadline for Interrogatory Responses.

### **Interrogatory 7**

### Reference:

- (a) Exh. B/Tab 4/Sch. 3- CIA report/p. 11/first paragpraph
- (b) Exh. B/Tab 4/Sch. 3- CIA report/p. 10/Table 2 and Table 3

# Preamble:

At the noted **Reference (a)** above, it is stated that:

The results of the fault levels studies shown on these tables above show that the impact of the GAN and GAB projects does not have a measurable (>=0.01kA) impact at the fault level at any of the stations (Windsor Walker #1, Kingsville or Martindale) where mitigation measures are necessary to limit fault levels to acceptable values.

At **Reference (b)** on page 10, <u>Table 2: Present Short-Circuit Levels</u> and <u>Table 3; Short Circuit Levels after Incorporating GAN and GAB Projects</u>, indicates that there was an unintended error since the impact at the various stations range between zero for various Bus locations and 0.9 kA (Hemlo Mine Jct for LG Assymetrical Faults) which represents approximately 50% increase over the base of 1.8 kA.

There also appears to be an error in the Stations listed at Reference (a), where it states in part that:

[...] at the fault level at any of the stations (<u>Windsor Walker #1, Kingsville or Martindale</u>) where mitigation measures are necessary to limit fault levels to acceptable values.

# Question/Clarification:

(i) Please correct the noted errors in the summary of the short-circuit impact assessment related to the 12 Bus locations listed at **Reference (b)**, Table 3.

#### EXPECTED TIMELINE FOR BOARD DECISION

# **Interrogatory 8**

### Reference:

- (a) Exh. B/Tab 5/Sch. 1/p.1/par. 60
- (b) B/Tab 5/Sch. 2/Gantt Chart

### Preamble:

At paragraph 60 of Reference (a), it is indicated that construction of the Hydro Facilities (Board staff assumes that means the two hydroelectric generating facilities) and the Transmission Facility are planned to be started simultaneously.

The Gantt chart at Reference (c) indicates that:

- at item 3. (Upgrading and Construction of Access Roads) starting May, 2011
- at item 13 (Transmission Lines, Switchyards and Substations) starting Jan, 2013

#### Questions/Clarifications:

- (i) Please confirm that in the event that the Board's Decision granting leave to construct, is delayed beyond the date outlined in the Gantt chart for item 3, that no "Upgrading and Construction of Access Roads" related to the Transmission Facility will take place prior to issuance of the noted Board Decision.
- (ii) Please confirm that in the event that the Board's Decision granting leave to construct, is delayed beyond the date outlined in the Gantt chart for item 13, that no construction related to the Transmission Lines, Switchyards, and Substations will take place prior to issuance of the noted Board Decision.

## STATUS OF OTHER REQUIRED APPROVALS

#### Interrogatory 9

Reference: Exh. B/Tab 7/Sch. 1/pp. 1-3/Table

#### Questions/Requests:

(i) Please provide an update to all the Permits, Licences, Authorizations, and Approvals that are reported in the noted Table as "Pending" or "Not Received". Board Staff Interrogatories White River Hydro LP and Gitchi Animki Energy LP (EB-2011-0420)

#### **CHANGE OF ROUTE & CONSULTATION**

# **Interrogatory 10**

Reference: February 22, 2012 Letter to the Board re: Response to Intervention

Requests

### Preamble:

In a letter to the Board dated February 22, 2012, the Applicants, indicated that attempts were made to consult with Pic River First Nation ("PRFN"). An attachment to that letter (Schedule B) outlines the steps that were undertaken as part of that consultation.

# Questions/Requests:

(i) In the above referenced letter, the Applicants made reference to a "Report" that was prepared regarding the change in route for the Transmission Line. Specifically, the Applicants stated:

"In consultation with the Ministry of Natural Resources and Ministry of Environment, the Applicant prepared the enclosed assessment report (the "Report") as part of the proponent driven review process".

A copy of the referenced Report was not enclosed with the letter. Please file a copy of the above referenced Report.

(ii) In the above referenced letter, the Applicants stated that:

"The Crown confirmed that the consultation carried out was appropriate, given the low potential for adverse impact to aboriginal rights, and signed off on the consultation".

Further, at Schedule B of that same letter, the Applicants stated that:
"E-mail correspondence from Paul Gamble of the Ministry of Natural
Resources (Wawa District) to Norman R. Jaehrling of Pic Mobert First Nation
Hydro Power Joint Venture confirming that – "The MNR Wawa can
adequately assess that the aboriginal consultation is complete at this point in
time."

Please provide a copy of the referenced letter/e-mail from MNR (Wawa District).

(iii) At page 6 of Schedule B of the above referenced letter, under the date of January 24, 2012, the Applicants stated that:

"Any further proposed changes to the location and/or scope of the Project which was consulted on will need to be assessed to determine if further consultation is required".

With regards to the noted reference, please indicate whether there have been any changes to the proposed route for the Transmission Line since the leave to construct application was filed?