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BY E-MAIL

March 20, 2012

To: All parties interested in the East-West Tie Designation Process

Re: Board File Number: EB-2011-0140 East-West Tie Designation Process All Parties Meeting March 23, 2012

As indicated in Procedural Order #1 in the East-West Tie proceeding, an all parties meeting will take place on March 23, 2012 beginning at 9:30 a.m. in the Board's hearing room in Toronto. If you are planning to attend in person and have not yet registered, please do so through the following email address: East-West.Tie.Line@OntarioEnergyBoard.ca. If you are attending via webcast, please let us know by email to the address above. Instructions for accessing the webcast appear at the end of this letter.

Context

The Government of Ontario and the Ontario Power Authority identified five priority transmission projects for the province, one of which is the East-West Tie. On August 26, 2010, the Ontario Energy Board issued its policy entitled "Framework for Transmission Project Development Plans". In a letter to the Board Chair, dated March 29, 2011, the Minister of Energy suggested that the designation process outlined in the Board's policy framework could be used to select the most qualified and cost-effective transmission company to develop the East-West Tie.

The Board received from the OPA its "Long Term Electricity Outlook for the Northwest and Context for the East-West Tie Expansion", which provided a preliminary assessment of need for the line as a basis for the designation process. The Board subsequently invited licensed transmitters (and those who have applied for a transmission licence) to indicate their interest in filing a plan

for the development of the East-West Tie. There are seven interested transmitters. The Board commenced the designation process with a notice of proceeding dated February 2, 2012.

Parties should note that the designation of a transmitter in this process does not mean that the East-West Tie will be built. The designated transmitter must succeed in demonstrating that construction of the line is in the public interest through a future leave to construct application before the Board. The designated transmitter must also comply with environmental assessment requirements, which are outside the Board's jurisdiction. The Board has proceeded with the designation process on the basis of the preliminary assessment of need provided by the OPA. The Board expects the final determination of need to be made as part of the future application for leave to construct, not through the designation process.

As the Board stated in its policy, "the designation process of the Board is not a procurement process where the end result is a contract." The designation process is not a tender call nor does it commit the Board in any way to designate a transmitter to undertake development work.

Phased Hearing Process

The Board plans to reach its decision on designation using a two phase process. In the first phase, the Board will invite parties to make submissions regarding the criteria for selecting a designated transmitter, possible weightings for the criteria, the filing and reporting requirements for applicants for designation, and the process for phase 2 of the hearing. In phase 2 the Board will receive the plans filed by applicants for designation, and evaluate those plans through a hearing process.

Draft Issues List for Phase 1

Board staff has prepared a draft issues list for phase 1 of the hearing, and hopes to discuss this list with all parties during the March 23rd meeting. The draft issues list is attached. Please be aware that this is not a final issues list approved by the Board, but a draft for discussion.

Preparation for the meeting

In preparation for the meeting, please read the material accessible through the East-West Tie page of the Board's website (www.ontarioenergyboard.ca/EWTie) under the heading Related Information: Board Policy for Transmission Project

Development Plans, Board Announcements and the OPA Report under Agency Reports.

Please also review and prepare to discuss the attached issues list.

Location and Registration

Date: Friday, March 23, 2012

Time: 9:30 am to approximately 5:00 pm

Location: Ontario Energy Board West Hearing Room,

25th floor, 2300 Yonge Street, Toronto

If you are planning to attend in person and have not yet registered, please do so through the following email address:

<u>East-West.Tie.Line@OntarioEnergyBoard.ca</u></u>. Please note that we expect a large number of attendees, and may be able to accommodate only two representatives per party.

Audio Information

For teleconferencing, please dial (416) 406-1280 or toll free (866) 832-4446, and use the participant pass code number 2812741.

To listen live over the internet, you can access audio through the Board's website: www.OntarioEnergyBoard.ca/OEB/Industry Click on the event, East-West Tie Stakeholder Meeting, in the Regulatory Calendar for March 23rd on the right hand side of the page.

Webcast

Staff is using Live Meeting over the web to broadcast visuals during this session. To view documents discussed, please click on the link: **Join the meeting.**

First Time Users:

To save time before the meeting, check your system to make sure it is ready to use Microsoft Office Live Meeting.

To check your browser prior to the meeting, click the following URL or enter it into your browser:

https://www.livemeeting.com/cc/ontarioenergyboard/join?id=check&role=attend For **TECHNICAL SUPPORT** contact Ontario Energy Board's Help Desk via e-mail at it.help@OntarioEnergyBoard.ca or call 1-888-632-6273 or 416-481-1967 and dial extension 555 (Ithelp).