

Richard P. Stephenson

416.646.4325 Asst 416.646.7417

416.646.4301

E richard.stephenson@paliareroland.com www.paliareroland.com

File 21156

October 1, 2012

VIA RESS FILING AND COURIER

Ms. Kirsten Walli Chris G. Paliare **Board Secretary** Ian J. Roland Ontario Energy Board Ken Rosenberg P.O. Box 2319 2300 Yonge Street, 27th Floor Richard P. Stephenson Toronto, Ontario M4P 1E4 Nick Coleman

Dear Ms. Walli

Re: Hydro One Request for Temporary Relief of its DSC Section 6.2.6 and 6.2.7 (microFIT connection timelines) obligations Ontario Energy Board File No. EB-2012-0343

Please find enclosed the comments of Power Workers' Union in connection with the above-noted proceedings.

Yours very truly,

PALIARE ROLAND ROSENBERG ROTHSTEIN LLP

Richard P. Stephenson RPS:ir

encl.

J. Kwik CC:

J. Sprackett

Doc 839792v1

Linda R. Rothstein

Margaret L. Waddell

Donald K. Eady Gordon D. Capern

Lily I. Harmer Andrew Lokan

John Monger Odette Soriano

Andrew C. Lewis

Megan E. Shortreed

Massimo Starnino Karen Jones

Robert A. Centa

Nini Jones Jeffrey Larry

Kristian Borg-Olivier

Emily Lawrence Denise Sayer

Danny Kastner Tina H. Lie

Jean-Claude Killey Jodi Martin

Michael Fenrick

Nasha Nijhawan Jessica Latimer

Debra Newell

Lindsay Scott Alysha Shore

Gregory Ko

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 Extension to the Exemption to Sections 6.2.6 and 6.2.7 of the Distribution System Code (EB-2012-0343)

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

1. Introduction

On September 14, 2012, 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 an extension to the exemption from the obligations under sections 6.2.6 and 6.2.7 of the Distribution System Code ("DSC" or "Code") which the Board granted in its Decision and Order of October 11, 2011 under EB-2011-0118. The exemption expired on April 11, 2012.

Hydro One has also requested 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 (August 3, 2012), until such time that the Board renders a final decision on this matter.

2. PWU COMMENTS

The Power Workers' Union ("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 its application, until such time that the Board renders a final decision on this matter.

Hydro One's evidence indicates that since the Board's Decision and Order in EB-2011-0118 that granted Hydro One a six month exemption from sections 6.2.6 and 6.2.7 of the DSC, Hydro One has demonstrated marked improvement in processing and connecting applications; however, the evidence also indicates that Hydro One continues to face a practical challenge to comply with sections 6.2.6 and 6.2.7 of the DSC particularly with respect to projects that require a site visit. This challenge will almost certainly increase with the expected re-launch of the Ontario Power Authority's microFIT Program and while Hydro One awaits the outcome of the Board's consultation on microembedded generation issues (EB-2012-0246) that may provide for revised guidelines. It is because of this practical challenge that Hydro One has come forward and asked the Board to hear its request.

The fact of the matter is that a refusal of a stay will not change the reality that Hydro One will be unable to comply fully with current processing and connection timelines provided in sections 6.2.6 and 6.2.7 of the DSC. On the other hand, a refusal of the requested interim stay will have two undesired consequences.

First, in the 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 or revises its DSC provisions. This would expose Hydro One to all types of repercussions including non-compliance with regulatory and licence conditions which in turn can damage Hydro One's image in the eyes of the public, the financial sector and credit rating agencies.

Second, a refusal of the interim stay would force Hydro One to reallocate resources away from already planned and scheduled work programs such as sustaining work for the special purpose of meeting the requirements of Sections 6.2.6 and 6.2.7 of the

Code. The PWU submits that such reallocation of efforts as a result of the Board's denial of the requested stay is neither prudent nor cost efficient and will compromise Hydro One's ongoing distribution system service reliability performance.

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

All of which is respectfully submitted.