

Ministry of Energy

Office of the Deputy Minister

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EB-2011-0140

November 26, 2012

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge Street
Toronto ON M4P 1E4**RECEIVED**

DEC 04 2012

ONTARIO ENERGY BD

Dear Ms. Walli:

I write further to the March 29, 2011 correspondence of the former Minister of Energy, the Honourable Brad Duguid, to the Board regarding the designation process for the East-West Tie. The Minister expressed his expectation that the designation process take into account "a proponent's ability to carry out the procedural aspects of Crown consultation" with Aboriginal communities.

It remains important to the success of the East-West Tie project that the duty to consult be fulfilled. The Crown began its consultations by identifying the First Nations and Métis communities potentially affected by the project and delegating to the Ontario Power Authority (OPA) the initial outreach to these communities. The OPA referred to this consultation effort and its results at page 17 of its report to the Board dated June 30, 2011.

We have considered the June 30 report and other feedback received by the Ministry from communities. The Crown intends to consult the same communities in the next phase of consultation – the procedural aspects of which we intend to delegate to the transmitter designated by the Board.

In order that the designated transmitter effectively undertake and execute delegated procedural aspects of Aboriginal consultation, it is my expectation that the designated transmitter will enter into a memorandum of understanding (MOU) with the Ministry that will set out the respective roles and responsibilities of the Crown and the transmitter in consultation. This approach has been employed by the Ministry on other significant electricity infrastructure projects. Consultation issues could arise in some of the regulatory processes for the East-West Tie, and the relevant decision-makers may need

to satisfy themselves that the Crown's duty to consult has been fulfilled prior to issuing approvals.

It would assist the government in ensuring that the Crown duty is fulfilled on the East-West Tie if the Board would consider imposing, as a condition of designation, that the designated transmitter forthwith enter into a MOU on Aboriginal consultation with the Ministry of Energy, on terms and conditions to be determined by the Ministry and which will be similar in principle to the MOU in the public record on the application for leave to construct the Bruce to Milton transmission reinforcement project.

Sincerely,

A handwritten signature in blue ink, reading "Serge Imbrogno", with a long horizontal flourish extending to the right.

Serge Imbrogno
Deputy Minister