



**CANADIAN NIAGARA POWER INC.**

A **FORTIS** ONTARIO  
Company

January 30, 2013

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
2300 Yonge Street, 27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**RE: CANADIAN NIAGARA POWER INC., (“CNPI”) EB-2011-0140  
EAST-WEST TIE DESIGNATION INTERROGATORY SUBMISSION**

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Pursuant to the Board’s Procedural Order No. 5, please find accompanying this letter two (2) copies of CNPI’s submission of interrogatories relating to the above designation proceeding.

A PDF version of these interrogatories along with the Word files will, coincidentally with this written submission, be filed via the Board’s Regulatory Electronic Submission System. As these interrogatories are part of the East-West Tie designation, please do not make them public until all other applicants interrogatories are made public.

If you have any questions in connection with the above matter, please do not hesitate to contact the undersigned at (905) 994-3634.

Yours truly,

*Original Signed by:*

Douglas Bradbury P.Eng,  
Director Regulatory Affairs

Enclosure

## East-West Tie Interrogatories

### 2. Organization

#### 2.1 Organizational Plan

Interrogatory Directed to: RES, ELP, ICN, UCT

- Interrogatories:
1. Please explain how and to what extent the allocation of risk between the joint owners has been determined (ie. RES/Mid American; HONI/Brookfield/Bamkushwada; Isolux/TransCanada; NextEra/Enbridge/Borealis). For example, if the project encounters material overages are all owners jointly and severally liable?
  2. Have the responsibilities and liabilities of the joint owners been clearly defined or is the agreement for joint ownership still in the development phase? How will these responsibilities be clearly defined so that there is no adverse ratepayer impact? Will the costs of negotiating and documenting these joint ownership matters (including subsequent disputes, if any) be included in the development budget and recovered from ratepayers?

### 6. Proposed Design

#### 6.1 Applicant's Plan

Interrogatory Directed to: ELP, UCT

Reference: ELP page 139 of 231, UCT page 95 of 1098

Preamble: ELP and UCT are proposing guyed structures in proximity to an existing right of way known by the public to have unguyed structures. Experience in Northern Ontario indicates that transmission rights-of-way are popular paths for use by the public and specifically Aboriginal communities for many activities including all-terrain vehicles in summer and snowmobiles in winter.

- Interrogatory:
3. Have ELP and UCT considered public dangers associated with guy wires? Given ELP's environmental policy statement (Exhibit 4 appendix 4G) that includes the following public safety statement "We understand, minimize and manage the impacts

and risks to the public and the environment associated with our operations”; how did ELP reconcile the increased risks and risks costs of guyed structures vs the reference option, in respect to its public safety statement?

## 6.1 Proposed Design

Interrogatory Directed to: Board Staff

Reference: OPA Report and IESO Feasibility Study – Bi-directional flow on the East-West Tie line

Preamble: We understand from the OEB letter to transmitters dated January 28, 2013 that the desired capacity can be achieved with either a single circuit or double circuit line.

Interrogatories: 4. Are the reliability features of both systems equal?

5. Is the correct time to reconsider the IESO report during the designation or during the development phase?

## 6.4 Reference Option

Interrogatory Directed to: Board Staff

Reference: ELP page 16 of 231, line 13

Preamble: ELP has proposed an alternate single circuit, lower cost option.

Interrogatory: 6. Do Board Staff agree that a single circuit alternative would provide less reliability than the double circuit option? If not, why not? Will Board Staff require such applicants to provide clarification:

- that the alternate line would be designed to meet or exceed the existing NERC, NPCC and IESO reliability standards; and
- that the alternate line would be designed to meet or exceed the Board’s Minimum Technical Requirements.

## 7. Schedule

### 7.2 Development Phase

Interrogatory Directed to: ALT, UCT, RES, ICN, ELP

Reference: The Ontario Environmental Assessment Act, section 6.1(1)

Preamble: The Ontario Environmental Assessment Act, section 6.1(1) requires that that the Environmental Assessment (“EA”) be prepared in accordance with an approved Terms of Reference (ToR).

Interrogatory: 7. How do applicants ALT, UCT, RES, ICN and ELP who propose to work on EA components (ie, start natural heritage, archeological and other field work) in advance of ToR submission and approval reconcile their schedules and budgets with the possibility their ToRs may not be approved as submitted?

Interrogatory Directed to: ALT, UCT, RES, ICN, ELP

Reference: Code of Practice, Preparing and Reviewing Terms of Reference for Environmental Assessments in Ontario, October 2009, Section 4.4, Pages 30 to 32.

Preamble: MOE guidelines clearly indicate that the ToR consultation should occur before EA initiation.<sup>1</sup>

Interrogatory: 8. For applicants who have schedules that propose to advance EA field work before the ToR formal submission or approval, please explain how public and Aboriginal consultation will contribute to the planning process when alternatives (particularly alternative routes and the many other requirements under EA) have already been assumed by the proponent? What is the expected public and Aboriginal community perception of this approach? Specifically, please clarify how the public and Aboriginal communities can contribute to the development of the project and to all aspects of alternative route selection in a meaningful way.

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<sup>1</sup> Code of Practice, Preparing and Reviewing Terms of Reference for Environmental Assessments in Ontario, October 2009, Section 4.4, Pages 30 to 32.

Interrogatory Directed to: Board Staff

Interrogatory: 9. Will the OEB be including key qualified government review team leaders such as MOE-EA specialists, MNR and the Ministry of Tourism, Culture, and Sport (archaeology/heritage issues) in their review team to advise on the submissions?

Interrogatory Directed to: ELP

Preamble: The ELP proposal presents the Bruce to Milton Transmission Line Expansion as an example of experience. This is probably the best example of a recent EA in Southern Ontario. It should be noted that this project took 63 months (5.25 years) to complete from the EA notice of commencement to the in-service date. It should also be noted for comparison that the East/West Tie expansion involves a transmission route that is over twice as long as the Bruce to Milton project, with considerably more aboriginal communities affected, as well as much more difficult access and climatic constraints.

Interrogatory: 10. Please explain why this EA will take less time than the Bruce to Milton project? Should the East/West Tie expansion take longer to develop and construct than anticipated in the proponent's schedule, will costs associated with this prolonged schedule be incurred by the proponent?

## 8. Costs

Interrogatory Directed to: ELP, ICN, UCT

Interrogatory: 11. Do the O&M costs that have been estimated to be greater than \$4 million per year (i.e. ELP, ICN, UCT) include the administrative overhead costs associated with the partnership structure involving joint owners who are proposing an Engineering, Procurement and Construction ("EPC") model?

Interrogatory Directed to: ALT, RES, ELP, ICN, UCT

Interrogatory: 12. In the interest of clarity and comparability, could all of the applicants please provide a cost estimate of contingencies, and interest during development and construction.

### 8.1 Preparation of Application

Interrogatory Directed to: ALT

Reference: Chapter 8, Paragraph 292: "AOLP will not seek recovery of the costs incurred to prepare this Application. AOLP will seek to recover costs incurred from the date of filing this Application through to designation, should it be selected as the designated transmitter of the East-West Tie Line."

Preamble: The Board's *Filing Requirements for Designation Applications* require Applicants to provide the amount already spent for preparation of an application for designation. Although Altalink has indicated that it does not intend to seek recovery of its costs already incurred to prepare its application, it has nevertheless failed to provide the required information.

Interrogatory: 13. Please provide the costs already spent by Altalink for the preparation of its application.

## 9. Landowner, Municipal and Community Consultation

### 9.3 Planned Route

Interrogatory Directed to: ALT

Reference: ALT, page 175 of 635, paragraph 338

Preamble: ALT, page 175 of 635, paragraph 338, mentions a line route to avoid a crossing. In the following paragraphs ALT discusses multiple line crossings of the existing 230kV line. One of the primary justifications for the East-West Tie project is to ensure the security of supply for Northwestern Ontario. The security of supply is directly related to the probability of a single contingency taking out of service both the existing transmission lines and the proposed new transmission lines. At every point where the new proposed transmission lines will cross the existing lines, the possibility exists that such a contingency may occur.

Interrogatory: 14. Why would ALT propose a route with multiple crossings of the existing 230kV line in light of the risks associated with multiple crossings?