

January 30, 2013

RESS, EMAIL & COURIER

Ontario Energy Board
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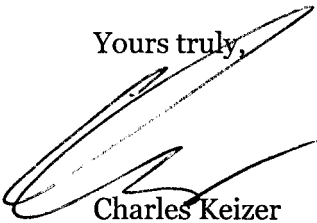
Attention: Ms. K. Walli, Board Secretary

Dear Ms. Walli:

**Re: Interrogatories of EWT LP in the East-West Tie Designation Proceeding
(EB-2011-0140)**

We are counsel to EWT LP. In accordance with the Board's Procedural Order No. 5 dated January 8, 2013, please find enclosed EWT LP's interrogatories in the above noted proceeding. **As these interrogatories are being submitted by an applicant in the East-West Tie designation proceeding, please do not make them public until all other interrogatories in this matter are made public.**

Yours truly,



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cc: *Andy McPhee, EWT LP*

ONTARIO ENERGY BOARD

IN THE MATTER OF sections 70 and 78 of the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, (Schedule B);

AND IN THE MATTER OF a Board-initiated proceeding to designate an electricity transmitter to undertake development work for a new electricity transmission line between Northeast and Northwest Ontario: the East-West Tie Line.

EB-2011-0140

EWT LP

INTERROGATORIES

January 30, 2013

INTERROGATORIES FOR ALL TRANSMITTERS

Interrogatory 1

Reference

Ref: Board’s Filing Requirements, Section 8.12

Preamble

In Section 8.12 of its Filing Requirements, the Board states applicants must file an estimated average cost of operating and maintaining the line. It appears that certain designation applicants may have estimated these costs on a net basis (i.e. excluding costs incurred by affiliates or other regulated utilities providing services to the applicant) while others have estimated these costs on a standalone basis (i.e. with the applicant incurring the full Operations, Maintenance and Administration (OM&A) costs of the proposed East-West Tie project).

Question

To provide a basis for comparison, please clarify whether the applicant’s stated OM&A costs are estimated on a standalone basis or on a net basis. If the former, please provide in detail the applicant’s estimated OM&A costs on a net basis. If the latter, please provide in detail the applicant’s estimated OM&A costs on a standalone basis.

Interrogatory 2

Reference

Ref: Board’s Filing Requirements, Section 8.12

Preamble

In Section 8.12 of its Filing Requirements, the Board states applicants must file an estimated average cost of operating and maintaining the line.

Question

Please complete the standard transmission rate application template provided below for the applicant’s anticipated OM&A costs.

US of A	Typical Year
Transmission Expenses - Operation	
4805	Operation Supervision and Engineering
4810	Load Dispatching
4815	Station Buildings and Fixtures Expense
4820	Transformer Station Equipment - Labour
4825	Transformer Station Equipment - Supplies and Exp
4830	Overhead Line Expenses
4845	Miscellaneous Transmission Expenses

4850	Rents	
Transmission Expenses - Maintenance		
4910	Maintenance of Transformer Station Buildings and Fixtures	
4916	Maintenance of Transformer Station Equipment	
4930	Maintenance of Poles	
4935	Maintenance of Overhead Conductors and Devices	
4940	Maintenance of Overhead Lines - Right of Way	
4945	Maintenance of Overhead Lines - Roads and Trails Repairs	
Administrative and General Expenses		
5605	Executive Salaries and Expenses	
5615	General Administrative Salaries and Expenses	
5620	Office Supplies and Expenses	
5630	Outside Services Employed	
5635	Property Insurance	
5655	Regulatory Expenses	
5665	Miscellaneous General Expenses	
5680	Electrical Safety Authority Fees	
	Subtotal Operations	_____
	Subtotal Maintenance	
	Subtotal Administrative and General Expenses	
	Total OM&A	=====

Interrogatory 3

Reference

Ref: Board's Filing Requirements, Section 8.7

Preamble

In Section 8.7 of its Filing Requirements, the Board states applicants must file an estimated budget for the construction of the line. It appears that applicants have not adopted a uniform approach to including Allowance for Funds Used During Construction (AFUDC) in their estimated construction costs.

Question

Please clarify whether AFUDC has been included in the applicant's estimated construction costs and, if so, identify the Weighted Average Cost of Capital (WACC) that has been assumed and the dollar value of AFUDC. If not, then please calculate an estimate of the appropriate dollar value of AFUDC and provide the WACC assumed in its calculation.

Interrogatory 4

Reference

Ref: Board’s Filing Requirements, Section 8.7

Preamble

In Section 8.7 of its Filing Requirements, the Board states applicants must file an estimated budget for the construction of the line. It appears that applicants have not adopted a uniform approach to estimating their construction costs. In particular, not all applicants factor the same items into their construction costs.

Question

Please complete the table below to provide a detailed breakdown of the applicant’s estimated construction cost for its reference option and alternative(s), if any.

Item	Unit	Quantity	Unit Cost	Cost
Land purchases / capitalized lump-sum easement payment				
Equipment / materials				
Structures & towers				
Conductor				
OHGW/OPGW				
Insulators & hardware				
Sundry				
Subtotal Equipment & Materials				
Installation including consumables				
Access roads				
Clearing				
Yards				
Foundations				
Tower assembly erection and dressing				
Conductor				
OHGW & OPGW				
Closeout				
Subtotal Installation				
Project Management				
Engineering support				
Environmental monitoring				
Construction management				
Owner’s costs				
Subtotal project management				
AFUDC				
Total				

Interrogatory 5

Reference

Ref: Board's Filing Requirements, Section 3.2

Preamble

In Section 3.2 of its Filing Requirements, the Board states applicants must file a schedule for planned First Nations and Métis participation arrangements. In general, the designation applicants that are still proposing participation arrangements have not provided schedules that outline when key milestones in establishing their participation arrangements will occur.

Question

Please provide a detailed timeline showing how the applicant, if designated, will establish Aboriginal participation arrangements. In addition, please indicate whether such arrangements will be established in parallel with other development work or, if not, describe how establishing such participation arrangements will affect the applicant's proposed development schedule.

Interrogatory 6

Reference

Ref: N/A

Preamble

A key aspect of the individual environmental assessment process under Ontario's *Environmental Assessment Act* is the preparation and approval of the Terms of Reference for the environmental assessment. Once approved by the Minister of the Environment, the Terms of Reference establish the scope of the project being assessed and the nature of that assessment. Section 5.1 of the Act requires the project proponent to consult with such persons as may be interested when preparing the proposed terms of reference.

Question

Please confirm whether, and describe how, the proposed consultation approach for the environmental assessment terms of reference conforms to the requirements of the *Environmental Assessment Act* with regard to notification and to the requirements set out in the *Code of Practice for Preparing and Reviewing Terms of Reference for Environmental Assessments in Ontario* (Ontario Ministry of the Environment June, 2009) with regard to early consultation.

Interrogatory 7

Reference

Ref: Board's Filing Requirements, Section 9.2

Preamble

In Section 9.2 of its Filing Requirements, the Board states applicants must file a landowner, municipal and community consultation plan.

Question

Please confirm whether, and describe how, the proposed consultation approach conforms to the following codes and guidance:

- *Code of Practice Preparing and Reviewing Terms of Reference for Environmental Assessments in Ontario* (Ontario Ministry of the Environment, 2009);
- *Code of Practice Preparing and Reviewing Environmental Assessments in Ontario* (Ontario Ministry of the Environment, 2009); and
- *Draft Aboriginal Consultation Guide for Preparing a Renewable Energy Approval (REA) Application* (Ontario Ministry of the Environment, 2011).

Interrogatory 8

Reference

Ref: AOLP Application, Page B-113, Paras. 306-309
RES Application, Exhibit B, Tab 1, Schedule 1, Pages 18 and 20
RES Application, Exhibit P, Tab 7, Schedule 1, Pages 5 and 7

Preamble

In their respective designation applications, both AOLP and RES have proposed cost-sharing incentive mechanisms.

Question

Would other applicants, if designated, be prepared to consider the same or similar cost-sharing incentive mechanisms as those proposed by AOLP and RES when applying for Leave to Construct?

INTERROGATORIES FOR ALTA LINK ONTARIO L.P. (AOLP)

Interrogatory 1

Reference

Ref: Board's Filing Requirements, Section 8.1
AOLP Application, Page B-108, Para. 292

Preamble

Section 8.1 of the Board's Filing Requirements states that applicants "must file the amount already spent for preparation of an application for designation, and an estimate of remaining costs to achieve designation." AOLP has not provided evidence as to the amount it has already spent in preparing its designation application up to the date of filing.

Question

Please provide the amount described above.

Interrogatory 2

Reference

Ref: AOLP Application, Page B-12, Paras. 29-30

Preamble

In its Designation Application, AOLP relies on the experience of AltaLink, L.P., an Alberta utility, as evidence of AOLP's experience with relevant regulatory approvals process. In particular, AOLP cites AltaLink, L.P.'s experience in preparing applications to build transmission lines in Alberta as relevant to the development of the East-West Tie line.

Question

Please confirm the following:

- whether all affiliate relationship rules or requirements in Alberta or established by the Alberta Utilities Commission or other applicable body were complied with during the preparation of AOLP's application and, if so, what protocols and agreements were established to ensure compliance; and
- whether AOLP will be able to execute the development plan outlined in its designation application in compliance with all affiliate relationship rules or requirements in both Alberta and Ontario and, if so, what protocols will AOLP and/or its affiliates implement to ensure compliance.

Interrogatory 3

Reference

Ref: AOLP Application, Pages B-108-114, Tables 8.2-1 and 8.7-1

Preamble

In estimating its designation and development costs, it is unclear whether AOLP is expecting certain of these costs to be funded or subsidized by another regulated utility.

Question

Please clarify whether any of AOLP's designation or development costs have been or are expected to be funded or subsidized by another regulated utility. If so, please clarify whether these costs will be incurred by AOLP and, if so, how they will be incurred. If not, please identify the protocols and agreements established to prevent cross-subsidization.

Interrogatory 4

Reference

Ref: Board's Filing Requirements, Sections 7.1, 7.2, 8.5 and 8.9
AOLP Application, Page B-110, Para. 297 and Page B-103, Table 7.2-1
AOLP Application, Appendix 16

Preamble

The Board's Filing Requirements state applicants must file a chart of major risks relating to the development and construction budgets and schedules. In its designation application, AOLP provides a risk table (Table 7.2-1) but does not indicate how those risks, if they materialized, could impact its budget and schedule estimates. In addition, AOLP does not identify specific risks relating to delays in filing or receiving approval for the Terms of Reference, in securing the necessary land rights for the new East-West Tie line or in reaching agreement with stakeholders on the routing and design of the new line, each of which tasks appear fundamental to the successful development of the new line.

Question

Please describe the incremental consequences to AOLP's estimated development and construction costs and schedules if AOLP is unable to:

- file the Terms of Reference by the date identified in its schedule;
- obtain approval of the Terms of Reference from the Minister of the Environment by the proposed date;

- secure the land rights necessary for the proposed route immediately following receipt of leave to construct;
- obtain land-use rights to build the proposed East-West Tie project through Pukaskwa National Park;
- reach agreement with the public, agencies and First Nations and Métis communities as to the route for the new line; and
- reach agreement with the public, agencies and First Nations and Métis communities as to the design for the new line including the height, design and location of towers and structures.

Interrogatory 5

Reference

Ref: AOLP Application, Pages B-38-42, Table 4.3-2

Preamble

In Table 4.3-2 of its designation application, AOLP provides examples of SNC-Lavalin's experience in undertaking environmental assessment activities.

Question

Please provide examples of AOLP's experience, excluding SNC-Lavalin's experience, in consulting with the public, agencies and First Nations and Métis communities in preparing terms of reference in Ontario and in having terms of reference approved by the Ontario Minister of the Environment.

Interrogatory 6

Reference

Ref: AOLP Application, Pages B-20-22

Preamble

In paragraph 58 of page 20 of its designation application, AOLP suggests that certain First Nations and Métis communities have provided input that informed AOLP's First Nations and Métis participation framework. However, AOLP does not specify which communities provided this input.

Question

Please clarify which First Nations and Métis communities provided the input regarding AOLP's participation framework cited at Pages B-20-22 of AOLP's designation application.

Interrogatory 7

Reference

Ref: AOLP Application, Page B-92, Para. 235
AOLP Application, Appendix 13, Page 30

Preamble

In paragraph 235 of Page B-92 of its designation application, AOLP states that “[s]crew-piles can accommodate a broad range of soil types and terrain features.”¹ In Appendix 13, the study area is described as being in the Cambrian Shield, dominated by shallow soils and granite bedrock.

Question

Given that the Project area is in the Cambrian Shield dominated by shallow soils and granite bedrock, please provide examples of the successful use of screw-pile foundations in this terrain.

Interrogatory 8

Reference

Ref: AOLP Application, Page B-117, Para. 323
AOLP Application, Page B-109, Table 8.2-1
AOLP Application, Appendix 16

Preamble

In paragraph 323 of page B-117 of its application, AOLP states that “AOLP will begin land acquisition early in the development of the East-West Tie Line so that landowners have sufficient time to review and discuss options with AOLP.” However, in table 8.2-1 on page B-109, in its East-West Tie Line Development Cost Estimate, AOLP has estimated that it will spend \$0 on land acquisition during the development stage of the proposed East-West Tie project. No time was identified for these activities in the schedule provided in Appendix 16 of AOLP’s designation application.

Question

- (a) Please explain the allocation of costs for AOLP’s land acquisition activity described in paragraph 323 and provide a schedule for these activities.
- (b) Please describe the land acquisition principles, if any, that AOLP or its affiliates have employed in the context of other projects in Alberta and how such principles would apply to the development of the new East-West Tie line.

¹ A screw pile is a hollow pipe shaft with one or more helical plates welded to the pipe shaft that is rotated slowly into a good layer of high load bearing soil (source: Cyntech / North American Construction Group Inc.).

Interrogatory 9

Reference

Ref: AOLP Designation Application, Pages B-119-123

Preamble

In its designation application, AOLP proposed a route for the new East-West Tie line which would be adjacent to the existing line and cross Pukaskwa National Park.

Question

Please confirm whether AOLP has ever constructed a new transmission line through a national park that was subject to, or administered as if it were subject to, the *Canada National Parks Act*, S.C. 2000, c. 32.

Interrogatory 10

Reference

Ref: AOLP Application, Page B-38, Table 4.3.2

Preamble

In table 4.3.2 on page B-38 of its designation application, AOLP states in relation to the Victor Diamond Mine Power Supply Project, which required a class environmental assessment, that SNC-Lavalin undertook “Route planning and evaluation, multidisciplinary environmental assessment and impact studies, traditional knowledge studies and community consultation.”

Question

Please provide a copy of the completed environmental assessment report that identifies SNC-Lavalin as having undertaken the class environmental assessment.

Interrogatory 11

Reference

Ref: AOLP Application, Page B-38, Table 4.3.2

Preamble

In table 4.3.2 on page B-38 of its designation application, AOLP states in relation to the Goldcorp Musselwhite Gold Mine 115kV Power Supply Transmission Line project that in 2010 “SNC-Lavalin was retained to carry out an Environmental Assessment for a new 115 kV transmission line to increase capacity at their Musselwhite Mine.”

On page 13 of a presentation to the Weagamow (North Caribou) First Nation, dated October 15, 2009 and available at http://www.public-participation.ca/ppmain/docs/Mussel1/IndividualEA/Appendicies/MusselwhiteIndEA AppH_complete.pdf, SNC-Lavalin indicated that the proposed 115kV transmission line would be approximately 3 km in length.

Question

- (a) Please confirm whether the presentation to the Weagamow First Nation referred to above relates to the project referred to in Table 4.3.2 of AOLP's designation application. If so, please confirm the length of the line studied.
- (b) If an environmental assessment was carried out for this project, please indicate whether it was a class environmental assessment, an environmental screening or an individual environmental assessment, and provide copies of any public notice of commencement and notice and statement of completion that were required to be issued under the *Environmental Assessment Act*.

Interrogatory 12

Reference

Ref: AOLP Application, Page B-38, Table 4.3.2

Preamble

In table 4.3.2 on page B-38 of its designation application, AOLP states in relation to the Goldcorp Red Lake Gold Mine 115kV Power Supply Transmission Line project, Harry's Corner to Balmer Complex, that in 2011 SNC-Lavalin provided the following services: "Environmental baseline studies; alternative routes identification and evaluation; Environmental Impact Assessment; public open house; First Nations engagement government agency liaison and permitting; GIS mapping."

On November 26, 2011, a senior project manager from SNC-Lavalin [Transmission and Distribution] wrote to the Board with respect to this 11.7 km, 115kV project and requested that "We would like some guidance on the Leave to Construct process..."

(http://www.rds.ontarioenergyboard.ca/webdrawer/webdrawer.dll/webdrawer/rec/228556/view/SNCLavalin_GoldCorp_Balmer_RedLk_20101126.PDF).

Question

- (a) Please confirm whether the project referred to in this letter was the same project as referred to in Table 4.3.2. If so, please confirm the length of the line subject to an environmental assessment and provide a brief description of the line, including the conductor size and type, structure type and nominal line capacity in MVA.
- (b) If an environmental assessment was carried out for this line, please indicate whether it was a class environmental assessment, an environmental screening or an individual environmental assessment, and provide copies of the public notice

of commencement and notice and statement of completion of the environmental assessment that were required to be issued under the *Environmental Assessment Act*.

Interrogatory 13

Reference

Ref: AOLP Application, Page B-39, Table 4.3.2

Preamble

In table 4.3.2 on page B-39 of its designation application, AOLP states in relation to the North West Ontario Transmission Cost Study that in 2011 SNC-Lavalin provided the following services: “Cost estimate[,] Design, construction, commissioning”.

Question

Since this line has not been built, please confirm that SNC-Lavalin has not been able to provide construction or commissioning services in respect of this line

Interrogatory 14

Reference

Ref: AOLP Application, Appendix 14, Page 79

Preamble

On page 79 of appendix 14 of its designation application, AOLP states that its environmental assessment schedule is predicated on being designated on March 1, 2013. On page 2 of Appendix 16 of its designation application, AOLP states that its overall development schedule is predicated on a Board designation decision on April 30, 2013.

Question

- (a) Please confirm whether AOLP’s development schedule is based on the Board designating the transmitter on March 1, 2013, April 30, 2013 or some other date.
- (b) If AOLP’s development schedule is predicated on the Board designating the transmitter on April 30, 2013, please indicate how it proposes to start Public Consultation, First Nation and Métis Consultation, and EA Field Studies on April 1, 2013, as shown in activities EA101, EA103 and EA124 at page 2 of Appendix 16 of its designation application, and how it intends to avoid stakeholder confusion if AOLP is not subsequently designated.
- (c) If AOLP’s development schedule is predicated on the Board designating the transmitter on March 1, 2013, please confirm that its application for leave to construct will be submitted on June 30, 2014.

Interrogatory 15

Reference

Ref: AOLP Application, Appendix 16, Page 2

Preamble

On page 2 of appendix 16 of its designation application, AOLP states the following:

- the two tasks, EA105 Government and Public Review of terms of reference and EA106 Ministry of Environment makes decision on terms of reference, will in aggregate take 42 days;
- the task EA104 Formal submission of terms of reference will end August 30, 2013; and
- the task EA105 Government and Public review of terms of reference will start August 1, 2013.

Ontario Regulation 616/98 allows the Minister up to twelve weeks (60 business days) to make his or her decision and provides that the Minister may extend the deadline for completing the review if he or she considers that there is a compelling reason (which is unusual, unexpected or urgent) to do so.

Question

- (a) Please confirm that AOLP's planned formal submission date for the terms of reference is August 1, 2013.
- (b) In task EA102, AOLP anticipates that the government review of the draft terms of reference will be completed by June 28, 2013 and that the terms of reference will then be amended prior to submission to the government for review and approval. Please explain how the formal government and public review of the terms of reference (EA105) can start on August 1, 2013, one month before their formal submission (EA104). Please explain what affect delaying the start of the government review and approval process by one month will have on AOLP's overall schedule.
- (c) AOLP has assumed in its schedule that the public and government review of the terms of reference leading up to its approval (tasks EA105 and EA106) will take 42 business days. Please explain AOLP's rationale for assuming the Minister will make his or her decision in fewer than 12 weeks (60 business days).
- (d) What assumptions has AOLP made about requests from stakeholders, including First Nations, Métis and local municipalities, requesting further time to review AOLP's terms of reference for its environmental assessment?

Interrogatory 16

Reference

Ref: AOLP's Designation Application, Appendix 15, Page 61 onwards

Preamble

In Appendix 15 of its designation application, from page 61 onwards, AOLP provides details of its consultation plan relating to the environmental assessment. In Appendix 16 of its designation application, AOLP provides an overview of its development schedule.

Question

- (a) In preparing its consultation plan, how many days has AOLP assumed between:
 - (i) its first formal contact with a municipality and (1) meeting with the Mayor or his/her representative, and (2) presenting to the council?
 - (ii) (1) its first formal contact with agency staff including the Ministry of the Environment, Ministry of Natural Resources and Ministry of Tourism and Culture, and (2) agency staff having provided sufficient input to complete an acceptable terms of reference?
 - (iii) its first formal contact with a First Nations or Métis community and being permitted to formally present to its band council or other relevant governing body?
- (b) How many days has AOLP designated in its development schedule for travel from Toronto and Alberta to meet with stakeholders in (i) Marathon, (ii) White River and (iii) Wawa?
- (c) Has AOLP made allowance in its consultation schedule to accommodate potential delays due to poor travel conditions, e.g. flights being delayed by summer thunder storms or winter snow, or roads being impassable in winter? How might these delays affect its consultation plans?
- (d) AOLP has scheduled five separate public information centres over a 17 month period, i.e. on average one every three months. What, if any, allowance has made in its consultation plan for stakeholders not being able to achieve AOLP's anticipated consultation schedule?
- (e) How many days has AOLP allowed in its consultation schedule for Aboriginal communities to:
 - (i) Provide input as to how AOLP should consult for the purposes of the environmental assessment including the selection of the route;

- (ii) Agree to a consultation protocol;
 - (iii) Review and provide input regarding AOLP's proposed terms of reference;
 - (iv) Review and provide input regarding AOLP's proposed routing methodology and selection criteria;
 - (v) Review and provide input regarding AOLP's proposed route; and
 - (vi) Review and provide input regarding AOLP's proposed design, including tower type, size, construction methodology and location?
- (f) AOLP has planned for each phase of public information centres to be held in five or six communities. What provisions has AOLP made for First Nations and Métis to participate in public information centres?
- (g) In preparing its plan, how many days has AOLP allowed between issuing formal notification of a public information centre and hosting the event?
- (h) Does AOLP propose to host public information centres at multiple locations sequentially or simultaneously?
- (i) How many employees / consultants does AOLP plan to have attend each public information centre?
- (j) Please indicate the date in its proposed schedule that AOLP proposes to start consulting with land owners along the proposed route.
- (k) Please indicate the date in its proposed schedule that AOLP plans to provide the public and agencies an opportunity to review and provide input on AOLP's proposed methodology and criteria for selecting the preferred tower and line design, e.g. maximum tower heights, span lengths, tower location go/no-go areas. Please indicate the date in its proposed schedule on which AOLP proposes to finalize its design for the new line, including choice of conductor, tower family design and foundation family design.
- (l) Please indicate the dates in its proposed schedule between which AOLP proposes to conduct environmental field observations, i.e. have staff on site conducting ecological and other studies?
- (m) Please indicate how many days in its proposed schedule AOLP has assumed will be required to receive permission from the Ministry of Natural Resources to undertake field studies and associated work on Crown land.
- (n) Please indicate how many days in its proposed schedule AOLP has assumed will be required to receive permission from private land owners to undertake field studies on their land.

- (o) Please confirm whether AOLP is planning to conduct a ‘focused’ or a ‘traditional’ environmental assessment.²
- (p) Please indicate:
 - (i) the date in its proposed schedule that, as part of its development of a proposed methodology and criteria for selecting the route of the new transmission line, AOLP plans to provide a copy of its proposed methodology and criteria for public and agency review and comment;
 - (ii) how many days AOLP has provided in its proposed schedule for this review and comment;
 - (iii) how many days have been allowed in its proposed schedule for AOLP to amend its proposed routing methodology and associated criteria based on public and agency input; and
 - (iv) if public and agency input requires significant changes to the methodology and associated criteria, whether AOLP plans to provide an opportunity for a second round of public and agency review;
 - (A) If not, please explain why not; or
 - (B) If so, please indicate the start date and end dates of this second round of review in AOLP’s proposed schedule.
- (q) Please indicate the date in its proposed schedule on which AOLP proposes to finalize its route for the new line.

²Individual environmental assessments in Ontario can be generally characterized as either “traditional” and “focused”. The “Federal/Provincial Environmental Assessment Coordination in Ontario: A Guide for Proponents and the Public” guide explains “focused” environmental assessments as follows:

Proponents who are further along in their planning may be in a better position to define how they intend to prepare their EA [environmental assessment] (commonly known as “focusing” although the term is not used in the OEAA [Ontario *Environmental Assessment Act*]). The focusing provisions allow proponents to determine the requirements for how an EA will be prepared. That is, requirements may include more or less of the requirements prescribed under subsection 6.1(2) of the OEAA . Generally, when a “focused” individual EA ... is carried out, a preferred “alternative to” is usually known during the ToR [Terms of Reference] stage...

In other words, in a “focused” environmental assessment the initial evaluation and elimination of alternatives is completed during the preparation of the Terms of Reference, leaving a narrower, focused range of alternatives to be considered during the environmental assessment. In contrast, in a “traditional” environmental assessment the evaluation and elimination of alternatives is completed as part of the environmental assessment.

Interrogatory 17

Reference

Ref: AOLP Application, Page B-5, Para. 12
AOLP Application, Page B-25, Para. 70

Preamble

AOLP has made arrangements with its affiliate, SNC-Lavalin, to conduct the environmental assessment for the proposed East-West Tie project and to provide engineering, procurement and construction services.

Question

Please describe (i) why such approach will present the lowest cost option for Ontario ratepayers; and (ii) how such approach is or will be compliant with the Affiliates Relationship Code.

**INTERROGATORIES FOR ICCON TRANSMISSION
INC./TRANSCANADA POWER TRANSMISSION (ONTARIO) L.P.
(ICCON/TRANSCANADA)**

Interrogatory 1

Reference

Ref: Iccon/TransCanada Application, Section 1, Page 3
Iccon/TransCanada Application, Section 2, Pages 1-5

Preamble

The Board has included a condition in the license of each of Iccon and TransCanada that the effective date for each license is the earlier of the date which the transmitter is designated and the date upon which the transmitter applies to amend the license to specific facilities to be owned and/or operated by the transmitter. As set out in EB-2011-0260, the primary rationale for this condition of the effective date was to defer the application of the Ontario Affiliate Relationships Code until such time as the transmitter is expected to have transmission assets.

Question

Please explain how the services described in Section 2 of Iccon/TransCanada's designation application that are intended to be provided by affiliates of Iccon and/or TransCanada will be provided in compliance with the Ontario Affiliate Relationships Code.

Interrogatory 2

Reference

Ref: Iccon/TransCanada Application, Section 1, Pages 1-2

Preamble

In pages 1-2 of their designation application, Iccon/TransCanada describes their decision to make a joint application for designation. However, they do not specify whether the proposed limited partnership of Iccon and TransCanada will, if designated, be separately licensed to own and operate the East-West Tie assets, or whether one of Iccon or TransCanada will rely on its existing license to do so.

Question

- (a) Please explain whether, if successfully designated, Iccon/TransCanada proposes that Iccon and/or TransCanada be designated and amendments be granted to their transmission licenses to build the proposed East-West Tie project or whether Iccon/TransCanada proposes that the designation be granted directly to its proposed limited partnership, which is unlicensed.
- (b) If the latter, please describe the impact such license proceeding will have on the proposed development schedule.
- (c) In any event, please explain:

- (i) why the proposed limited partnership, an unlicensed entity, should be permitted to participate in the designation proceeding; and
- (ii) why Iccon/TransCanada are eligible to submit a designation application on behalf of such an unlicensed entity.

Interrogatory 3

Reference

Ref: Iccon/TransCanada Application, Section 2, Page 2

Preamble

The Applicant intends prior to filing a leave to construct application to enter into a fixed fee EPC contract at market based rates with Isolux Ingeniería or one of its subsidiaries for the construction of the project.

Question

Please describe (i) why such approach will present the lowest cost option for Ontario ratepayers; and (ii) how such approach is or will be compliant with the Affiliates Relationship Code.

Interrogatory 4

Reference

Ref: Board's Filing Requirements, Sections 8.5 and 8.9
Iccon/TransCanada Application, Section 8, Pages 4-5
Iccon/TransCanada Application, Section 7, Appendix D

Preamble

The Board's Filing Requirements state applicants must file a chart of major risks that could lead to exceedences of the development and construction budgets. In its designation application, Iccon/TransCanada does not identify how delays in filing or receiving approval for the Environmental Assessment Terms of Reference may impact its budget estimates.

Question

Please describe the incremental risks to Iccon/TransCanada's estimated development and construction costs if the following schedule risks transpire:

- the Terms of Reference are filed later than the proposed date; and
- the Minister of the Environment approves the Terms of Reference later than the proposed date.

Interrogatory 5

Reference

Ref: Iccon/TransCanada Application, Section 1, Pages 1-2

Preamble

In their designation application, Iccon/TransCanada describe their decision to submit a joint application for designation as partners in a proposed limited partnership. However, they do not provide any evidence regarding the status of the commercial negotiations underlying that limited partnership.

Question

Please confirm whether an agreement has been executed governing the final and binding commercial terms of the proposed Iccon/TransCanada limited partnership. If not, please confirm when such an agreement will be established.

**INTERROGATORIES FOR RES CANADA TRANSMISSION L.P.
(RES)**

Interrogatory 1

Reference

Ref: RES Application, Exhibit F, Tab 1, Schedule 1
RES Application, Exhibit F, Tab 1, Schedule 2
RES Application, Exhibit F, Tab 3, Schedule 1
RES Application, Exhibit F, Tab 3, Schedule 2

Preamble

In Exhibit F, Tab 1, Schedule 1, Exhibit F, Tab 1, Schedule 2, Exhibit F, Tab 3, Schedule 1 and Exhibit F, Tab 3, Schedule 2 of its designation application, RES indicates that it will be relying on personnel with experience in generation activities in Ontario to execute its proposed development plan.

Question

Please explain how the services described in Exhibit F, Tab 1, Schedule 1 and Exhibit F, Tab 3, Schedule 1 will be provided in compliance with the Ontario Affiliate Relationships Code.

Interrogatory 2

Reference

Ref: RES Application, Exhibit P, Tab 3, Schedule 2, Page 1
RES Application, Exhibit P, Tab 4, Schedule 2, Page 3

Preamble

Footnote 12 for the Development Phase - Budget & Underpinning Assumptions chart on page 1 of Exhibit P, Tab 3, Schedule 2 of RES' designation application and an unnumbered note for the Cost Model Bid Proposal chart on page 3 of Exhibit P, Tab 4, Schedule 2 of RES' designation application both state that the relevant cost chart "Excludes Surcharge."

Question

Please clarify the basis for the "Surcharge" referenced regarding the charts in Exhibit P, Tab 3, Schedule 2 and Exhibit P, Tab 4, Schedule 2 of RES' designation application. Please clarify whether this surcharge will be charged to ratepayers and what the level of the surcharge is expected to be.

Interrogatory 3

Reference

Ref: RES Application, Exhibit M, Tab 1, Schedule 1, Page 8

Preamble

On page 8 of Exhibit M, Tab1, Schedule 1 of its designation application, RES states that “some aspects of the Bruce-Milton MOU signed between the Minister of Energy and Hydro One would not necessarily be applicable to RES Transmission.

Question

Please explain which aspects of the Bruce to Milton MOU RES considers inapplicable to RES Transmission.

Interrogatory 4

Reference

Ref: RES Application, Exhibit M, Tab 1, Schedule 1, Pages 8-9

Preamble

On pages 8 and 9 of Exhibit M, Tab 1, Schedule 1 of its designation application, RES states that “Unlike Hydro One, the Applicant is a private sector proponent and the MOU would need to be adjusted accordingly...” and suggests changes to the Bruce to Milton MOU.

Question

Please clarify how RES intends to proceed if its preferred changes are not acceptable to the Minister of Energy. Please explain how this will affect RES’ costs and schedule.

Interrogatory 5

Reference

Ref: RES Application, Exhibit B, Tab 1, Schedule 1, Page 15

Preamble

In paragraph 38 on page 15 of Exhibit B, Tab 1, Schedule 1 of its designation application, RES states the following:

The Applicant is also requesting that the OEB vary its usual methodology that prescribes interest rates for approved regulatory accounts (except for Construction Work in Progress (“**CWIP**” accounts)) under the Uniform System of Accounts as the sum of the Bankers’ Acceptances three-month rate, as published on the Bank of Canada’s website and 25 basis points. The Applicant is requesting that, instead, the OEB approve a blended debt/equity rate as follows: the sum of the ROE determined by the Board annually, on 40 percent of development expenditures, and the lesser of the deemed short-term debt rate (determined by the Board annually) or the Board-approved “interest during construction” rate, on 60 percent of development expenditures. The ongoing balance associated with this accrual would be tracked separately on the Applicant’s financial statements.

Question

Please clarify the incremental cost to ratepayers of the revised interest rate requested by RES.

Interrogatory 6

Reference

Ref: RES Application, Exhibit B, Tab 1, Schedule 1, Pages 18 and 20
RES Application, Exhibit P, Tab 7, Schedule 1, Pages 5 and 7

Preamble

On page 18 of Exhibit B, Tab 1, Schedule 1 of its designation application, RES proposes "...an incentive rate methodology that rewards RES Transmission for completing the development and construction of the Project for less than its Bid Amount...". On page 20 of this schedule, RES proposed a methodology for determining the return on capital for construction work in progress payments (CWIP). In Exhibit P, Tab 7, Schedule 1, RES provides four worked examples of its proposed methodology. In Case 2, on page 5 of this schedule, RES calculates that the proposed incentive scheme would provide an "Annual saving to customers" of \$0.3 million. In Case 3, on page 7 of this schedule, RES calculates that the proposed incentive scheme would both provide an "Annual saving to customers" of \$0.7 million while providing an increased return on equity to RES of 9.08% (compared to the assumed allowed rate of 8.93%).

Question

- (a) Please clarify whether the incentive return on equity of 300 bps sought by RES is pre-tax or post-tax.
- (b) Please clarify whether the *Subtracted Amount* is a fixed amount or an amount that amortizes over the approved life of the asset.
- (c) Please clarify whether any approved overage is a fixed amount or an amount that amortizes over the approved life of the asset.
- (d) In its worked example Case 2, RES asserts that the incentive scheme provides an "Annual saving to customers" of \$0.3 million. Please provide calculations for:
 - (i) the forecast actual amount payable by ratepayers in the first year if the RES incentive scheme were implemented using the assumptions set out in Case 2;
 - (ii) the forecast actual amount payable by ratepayers in the first year for the same total actual spend were the line to have been built under the existing cost of service rate making methodology;
 - (iii) the cost increase/reduction to ratepayers by adopting RES' proposed incentive scheme; and

- (iv) a comparison of the value calculated in (iii) above to the \$0.3 million “Annual saving to customers” stated in Case 2.
- (e) In its worked example Case 3, RES asserts that the incentive scheme provides an “Annual saving to customers” of \$0.7 million. Please provide calculations for:
 - (i) the forecast actual amount payable by ratepayers in the first year if the RES incentive scheme were implemented using the assumptions set out in Case 3;
 - (ii) the forecast actual amount payable by ratepayers in the first year for the same total actual spend were the line to have been built under the existing cost of service rate making methodology;
 - (iii) the cost increase/reduction to ratepayers by adopting RES’ proposed incentive scheme;
 - (iv) a comparison of the value calculated in (iii) above to the \$0.7 million “Annual saving to customers” stated in Case 3; and
 - (v) the net present value (NPV) of the cost increase/reduction to ratepayers calculated in (iii) over the lifetime of the asset discounted at the Board approved weighted average cost of capital. Please adjust the NPV calculation to include the incremental cost to ratepayers of CWIP and AFUDC and the appropriate allowances for corporate income tax.
- (f) Please explain why RES would be unable to realise the cost savings, e.g. as illustrated in Case 3, and minimize cost overages, e.g. as illustrated in Case 2, unless it were granted the incentives described in its application.

Interrogatory 7

Reference

Ref: RES Application, Exhibit H, Tab 4, Schedule 1, Page 1
RES Application, Exhibit H, Tab 2, Schedule 3, Page 4
RES Application, Exhibit T, Tab 6, Schedule 1, Page 1

Preamble

On page 1 of Exhibit H, Tab 4, Schedule 1 of its designation application, RES proposes to use a single 1557.4 ACSS trapezoidal conductor with 36/7 stranding “Potomac”.

On page 1, line 20 of Exhibit T, Tab 6, Schedule 1, RES states that “*The 1557 ACSS trapezoidal conductor also provides many design opportunities for new line construction including: reduced tower cost, decreased sag, increased self-damping properties, increased operating temperature and improved corrosion resistance.*”

On page 4 of Exhibit H, Tab 2, Schedule 3 (IESO Feasibility Study), IESO notes that the proposed conductor has a rating of 1545 A at a continuous operating temperature of 93°C with ambient conditions of 25°C and at a wind speed of 2ft/s, and has a rating of 1891 A at a continuous operating temperature of 127°C. IESO states that “This conductor will meet the IESO ampacity requirements to achieve a 650MW westward transfer capability on the East-West Tie.”

On June 11, 2008 in Hydro One Networks Inc.’s application for leave to construct for the Bruce to Milton Transmission Reinforcement, EB-2007-0050, Volume 14, Line 21, Page 281, Edward Brill provided the following testimony under oath:

“So there is all aluminum type of applications and copper type of cables that Florida Power & Light also uses in transmission lines that are going to be routed near the ocean.

We also have used an ACSS type of a conductor, which is a – that stands for Aluminum Conductor Steel Supported, and that type of conductor can handle much higher thermal limits. Again, it is heavier, it’s more expensive, it weighs more, but it is something that can be considered in applications where you needed a higher thermal rating.”

Question

- (a) Please confirm whether the rating of a single 1557.4 aluminum conductor steel reinforced (ACSR) trapezoidal conductor with 36/7 stranding “Potomac” under the IESO reference condition of 25°C and 2ft/s wind speed is approximately 1545 A at 93°C and 1891 A at 127°C. If RES disagrees with these ratings, please provide the correct ratings with the supporting justification.
- (b) In his testimony, Mr. Brill indicated that the ACSS type of conductor RES is proposing to use is more expensive. Please indicate how much more expensive the RES-proposed ACSS conductor is compared to the equivalent sized ACSR conductor. If the cost comparison is not available, please indicate how RES determined that the use of this conductor would translate into savings in material costs as stated in the second reference.

Interrogatory 8

Reference

Ref: RES Application, Exhibit G, Tab 6, Schedule 1, Page 1

Preamble

On page 1, line 10 of Exhibit G, Tab 6, Schedule 1 of its designation application, RES states that:

“The 1557 ACSS trapezoidal conductor is designed for overhead distribution and transmission lines. It is designed to operate continuously at elevated temperatures up to 250°C without loss of strength; it sags less under emergency electrical loadings than ACSR/TW; it has excellent self-damping (vibration and galloping) properties; and, its

final sags are not affected by long-term creep of other aluminum, which are known to stretch in length over service life.”

At line 20 of this page, RES states:

“The 1557 ACSS trapezoidal conductor also provides many design opportunities for new line construction including: reduced tower cost, decreased sag, increased self-damping properties, increased operating temperature and improved corrosion resistance.”

The Board’s Minimum Technical Requirements for the Reference Option of the East-West Tie Line, page 7, states:

“For standard ACSR conductors and galvanized steel shield wire:

- *the initial tension must not exceed twenty-five percent (25%) of the conductor’s rated tensile strength under a winter design temperature of minus thirty (-30) degrees Celsius; and*
- *the final tension of the conductor must not exceed twenty percent (20%) of the conductor’s rated tensile strength under the temperature of fifteen (15) degrees Celsius.”*

To enable a comparison between the performance of the larger Potomac conductor proposed by RES to the smaller Grackle proposed by other proponents, the two conductor choices can be held to a common span – that being RES’ suggested span of 355 m – and to a common, cold temperature Catenary Constant value of 1,900 m. The cold temperature, initial Catenary Constant is widely understood as the parameter most highly related to a conductor’s vibration behaviour.

Conductor	<u>1192 Grackle ACSR</u>	<u>1557 Potomac ACSS/TW</u>
Span (m)	355 m	355 m
Equal Sag at -20 C (C , Sag)	1,900 m, 8.3 m	1,900 m, 8.3 m
<i>Compared Factors: green = better performer</i>		
Alcoa Span Limit: 1 damper	478 m (basic need)	247 m
Alcoa Span Limit: 2 dampers	957 m	494 m (basic need)
Max. Design Tension (H)	8,725 kg	7,895 kg
Max. Tension, 1" ice (%RTS))	46%	61%
Sag at 1" ice	11.9 m	14.6 m
%RTS initial @ -30 C	24%	39%
%RTS final @ 15 C	18%	35%
Design Sag at 100 C	13.8 m	15.1 m

Sag at 250 C	NA	17.2 m
Sag at 40 C final	11.8 m	14.2 m
CSA Rule Blowout	3.9 m	4.3 m
Estimated unit purchase cost	100%	136%

Questions

- (a) Does RES agree with the calculated values provided in the table above? If not, please explain why EWT’s assumptions and calculations are incorrect and calculate the correct values.
- (b) The *Alcoa Span Limits* in the table above were calculated with the commercially available Vibrec software program widely used throughout the transmission industry. The table shows that a standard 355m span with a Catenary Constant of 1,900 m at -20°C would require a single damper if Grackle conductor were used, and two dampers were the RES-preferred Potomac conductor used.³

Please confirm how many dampers RES intends to use and the basis for the determination of this value.

- (c) Please comment on what affect operating the conductor closer to its rated tensile strength will have on the conductor’s mechanical performance, durability / life expectancy, vibration performance, resistance to mechanical overloading / probability of mechanical failure.
- (d) Please indicate what assumptions, if any, RES has made regarding the installation cost of an ACSS conductor compared to an ACSR conductor.
- (e) Please confirm that the proposed support structures (height, strength etc.) have been dimensioned to provide safe clearance for the ACSS conductor sag at its maximum operating temperature, and that the material/equipment and installation costs have been budgeted accordingly. If so, please identify how much taller and heavier the H-frame structures will be compared to the structures that would be required were conventional ACSR conductor to have been specified and please identify the incremental cost of these taller, stronger towers.

³ The purpose of the dampers is to mitigate fatigue damage, i.e. that while a conductor may be less prone to vibration due to its self-damping capabilities, this does not imply that once vibrating it also has equal or better survivability against fatigue damage.

Interrogatory 9

Reference

Ref: RES Application, Exhibit E, Tab 3, Schedule 1, Page 6
RES Application, Exhibit H, Tab 5, Schedule 1, Page 1
RES Application, Exhibit P, Tab 4, Schedule 2, Pages 3 and 5

Preamble

On page 6, line 22 of Exhibit E, Tab 3, Schedule 1, RES states that “Structures will typically be installed by direct imbed or when necessary, drilled pier foundations....”

On page 1, line 5 of Exhibit H, Tab 5, Schedule 1, RES states its subsurface condition design assumptions.

On page 3 of Exhibit P, Tab 4, Schedule 2, RES indicates that the “transmission line materials/equipment” for the preferred design on the preliminary preferred route will cost \$187,637,152.

On page 5 of Exhibit P, Tab 4, Schedule 2, RES indicates that the “transmission line materials/equipment” for the reference design on the preliminary preferred route will cost \$241,688,350.

Question

- (a) In order to better understand the design and cost of the technical alternatives RES is proposing, please provide:
 - (i) dimensioned drawings for typical foundations for (1) the lattice tower design assumed for the reference design and (2) the steel H-frame structure design assumed for the preferred design. Please indicate the mass of concrete and rebar that will typically be required for each foundation design.
 - (ii) dimensioned drawings including mass of concrete and rebar for the foundations for (1) the lattice tower design assumed for the reference design and (2) the steel H-frame structure, in each case as suitable for the 15% of structures where the subsurface conditions are up to 3 metre of soil over bedrock.
 - (iii) dimensioned drawings including mass of concrete and rebar for the foundations for (1) the lattice tower design assumed for the reference design and (2) the steel H-frame structure, in each case as suitable for the 60% of structures where the bedrock is at or within 1 metre of the surface. If RES is proposing to install studs/bolts directly into the rock, please provide the number and typical likely dimensions of the bolts and explain how RES intends to install these bolts.

- (iv) the typical cost of the foundation required for the steel H-frame structure described in (i).
- (b) If these typical engineering drawings are not available, please explain how the cost of concrete and steel was factored into the calculation of the Bid Amount provided on page 18 of Exhibit B, Tab 1, Schedule 1.

Interrogatory 10

Reference

Ref: RES Application, Exhibit G, Tab 1, Schedule 1, Page 6

Preamble

On page 6 of Exhibit G, Tab 1, Schedule 1, RES identifies H-frame towers as its “first choice” of tower for its Preferred Design.

Question

- (a) Please provide supporting calculations to demonstrate that either:
 - (i) the H-frame foundations are capable of appropriate bending moment loads from the poles in the longitudinal direction; or
 - (ii) if the H-frame foundations are not so capable, the proponent’s design relies on the dead end stop towers at intervals to provide anti-cascade protection.

Interrogatory 11

Reference

Ref: RES Application, Cover Letter, Page 2
RES Application, Exhibit O, Tab 1, Schedule 2

Preamble

On page 2 of the covering letter to its designation application, RES indicated that it had filed Exhibit O, Tab 1, Schedule 2, the RES Group Financial Statements, in confidence with the Board.

In its letter of January 23, 2013, the Board ordered that RES’ financial statements filed as Exhibit O, Tab 1, Schedule 2 of its designation application may remain confidential but available to external counsel and consultants for parties who sign or have signed the Board’s Declaration and Undertaking in the East-West Tie project proceeding.

Attached are the statutory accounts for Renewable Energy Systems Holdings Limited for the year ending 31 October 2011 as filed with the Registrar of Companies in England and Wales in

accordance with Section 441 of the United Kingdom's Companies Act 2006 (c. 46). There is a public right to inspect the register under Section 1085 of the Act. The registrar's website can be accessed at Companies House at <http://www.companieshouse.gov.uk/>, and the register entries for individual companies can be accessed via 'WebCheck' at <http://wck2.companieshouse.gov.uk/wcframe?name=accessCompanyInfo>.

Question

- (a) Please describe any differences between the 31 October 2011 financial statements accessible through Companies House, the most recent publicly available financial statements of Renewable Energy Systems Holdings Limited, and the financial statements that have been filed with the Board in confidence;
- (b) Please explain if and how any differences noted in (a) above could materially affect the financial capacity of RES to undertake the proposed East-West Tie project.

Interrogatory 12

Reference

Ref: RES Application, Exhibit B, Tab 1, Schedule 1, Page 27
RES Application, Exhibit C, Tab 1, Schedule 1
RES Application, Exhibit O, Tab 1, Schedule 1, Pages 1-3

Preamble

At page 27 of Exhibit B, Tab 1, Schedule 1 and page 2 of Exhibit O, Tab 1, Schedule 1 of its designation application, RES states that it intends to finance development expenses 100% from sponsor equity.

At page 27 of Exhibit B, Tab 1, Schedule 1 and pages 1-3 of Exhibit O, Tab 1, Schedule 1 of its designation application, RES states that it intends to finance its construction expenses with a construction debt facility and sponsor equity contributions pursuant to a 60%:40% ratio.

RES' corporate organization is described in Exhibit C, Tab 1, Schedule 1 of its designation application.

Question

- (a) Please confirm how much of the equity, in Canadian Dollars, required to finance RES' development expenses for the proposed East-West Tie project will be provided by
 - (i) the MidAmerican Group;
 - (ii) the RES Group; and

- (iii) other investors, if any.
- (b) Please confirm how much of the equity, in Canadian Dollars, required to finance RES' construction expenses for the proposed East-West Tie project will be provided by
 - (i) the MidAmerican Group;
 - (ii) the RES Group; and
 - (iii) other investors, if any.
- (c) Please confirm that each of the RES Group and any other equity sponsor(s) currently has the financial capacity to provide its own share of the equity required to finance
 - (i) development expenses; and
 - (ii) construction expenses.

If any of the partners is relying on financial support from a third party, which includes another partner, to be able to provide its share of the equity, please provide details.
- (d) Please describe whether the ownership interests described in Exhibit C are expected to change as a result of
 - (i) development equity contributions; and
 - (ii) construction equity contributions.

Interrogatory 13

Reference

Ref: RES Application, Exhibit E, Tab 5, Schedule 1, Page 4

Preamble

At page 4 of Exhibit E, Tab 5, Schedule 1 of its designation application, RES describes the Energy Gateway Transmission Expansion Program (including the Populus to Terminal Project, the Mona Oquirrh Project, the Sigurd to Red Butte Project, the Gateway West Project and the Gateway South Project) as representative of the MidAmerican Group's development experience.

Question

- (a) For the five projects comprising the Energy Gateway Transmission Expansion Program,
 - (i) Was the development and design of the overhead lines undertaken by MidAmerica's internal staff or by external consulting engineers under MidAmerica's direction?
 - (ii) Does MidAmerica expects to be continuing development and engineering work on these and other major projects contemporaneously with development of the proposed East-West Tie project?
 - (iii) Was the preparation of the environmental analyses and the preparation and publication of the Environmental Impact Statement(s) performed by the Bureau of Land Management of the US Department of the Interior or by MidAmerica?
 - (iv) Was consultation - including mailing of material to the public, publication of notifications in the newspapers, and hosting of public open houses - led by the Bureau of Land Management or by MidAmerica?
 - (v) Was coordination with local, state and federal governments and cooperating agencies led by the Bureau of Land Management or by MidAmerica?
 - (vi) Was the selection of the preferred alternative(s) undertaken by the Bureau of Land Management or by MidAmerica?

INTERROGATORIES FOR UPPER CANADA TRANSMISSION INC.
(UCT)

Interrogatory 1

Reference

Ref: UCT Application, Section 2, Pages 29-32
UCT Application, Section 4, Pages 55-58
UCT Application, Appendix 3

Preamble

On pages 29-32 of Section 2, pages 55-58 of Section 4 and in Appendix 3 of its designation application, UCT indicates that it will be relying on personnel with experience in generation activities in Ontario to execute its proposed development plan.

Question

Please explain how the services described on pages 29-32 and 55-58 of UCT's designation application will be provided in compliance with the Ontario Affiliate Relationships Code.

Interrogatory 2

Reference

Ref: UCT Application, Section 6, Page 80

Preamble

At page 80 of its designation application, UCT states that its Recommended Plan will utilize Guyed-Y steel lattice towers as opposed to the self-supported steel-lattice towers under the Reference Plan.

Question

- (a) Please describe what experience, if any, UCT has with the double circuit guyed Y-design. If UCT has not used this design previously, please indicate where and when it has been used previously in North America in similar terrain and comment on its operating performance to date.
- (b) Please provide load trees and design calculations for the guyed Y-tower design:
 - (i) to prove that the technical design of the tower is adequate and in particular is robust against unbalanced longitudinal loads; and
 - (ii) to demonstrate the basis from which the construction cost estimates were derived.

Interrogatory 3

Reference

Ref: UCT Application, Section 7, Page 105
UCT Application, Appendix 3, Page 2

Preamble

At page 2 of Appendix 15 of its designation application, UCT anticipates submitting its Terms of Reference to the Ministry of the Environment by November 6, 2013 and receiving the Ministry's approval by March 31, 2014.

At page 2 of Appendix 15 of its designation application, UCT anticipates finishing stage 1 and 2 archaeological studies by January 8, 2014. At page 105 of Section 7 of its designation application, UCT identifies "Archeological sites encountered" as a Risk Item in its Consolidated Risk Matrix for Development & Construction Phases.

Question

Please describe the incremental risks to UCT's estimated development and construction budgets and schedules if the following schedule risks transpire:

- the Terms of Reference cannot be filed by the proposed date;
- the Minister of the Environment does not approve the Terms of Reference by the proposed date; and
- the requirement to complete archaeological assessments extend beyond those currently proposed.

Interrogatory 4

Reference

Ref: UCT Application, Section 10, Page 150

Preamble

At page 150 of Section 10 of its designation application, UCT notes that the Crown plans to delegate the procedural aspects of consultation to the designated transmitter and that the Crown wishes to enter an MOU with the designated transmitter per the Board's December 11, 2012 letter. UCT also states that "NextBridge is prepared to enter into such an MOU, provided that it does not delay our engagement efforts and can be pursued in parallel, as opposed to being a condition precedent to commencing consultation."

Question

- (a) Please describe any instances where UCT or its partners have been delegated the procedural aspects of Aboriginal consultation by the Crown;
- (b) Please describe whether, in any of those instances, UCT entered into an MOU with the Crown; and
- (c) Where such an MOU was entered into, please describe if and how UCT engaged in meaningful consultation activities prior to entering into such MOU.

Interrogatory 5

Reference

Ref: UCT Application, Section 10.2, Page 156
RES Application, Exhibit D, Tab 2, Schedule 1, Page 16
RES Application, Exhibit E, Tab 6, Schedule 1, Page 1

Preamble

On page 156 of its designation application, in Section 10.2 - Evidence of experience in undertaking procedural aspects of First Nation and Métis consultation, UCT highlights the Greenwich Wind Project as a “First Nation and Métis community engagement success stor[y]” and describes Enbridge’s engagement with the Red Rock Indian Band and the Fort William First Nation in relation to that project.

On page 16 of Exhibit D, Tab 2, Schedule 1 and page 1 of Exhibit E, Tab 6, Schedule 1 of its designation application, RES states that the RES Group led the consultation process for the Greenwich Wind Farm. RES also lists the Greenwich project as part of its Representative List of Experience for First Nation and Métis Consultation on page 1 of Exhibit E, Tab 6, Schedule 2 of its designation application.

Question

Please explain who conducted the Aboriginal consultation in connection with the development of the Greenwich wind farm and, to the extent Enbridge employees conducted any of that consultation, please provide the details of those consultation activities.

Interrogatory 6

Reference

Ref: Board’s Filing Requirements, Section 10.2
UCT Application, Section 10, Pages 155-158

Preamble

Section 10.2 of the Board’s Filing Requirements requires “evidence of experience in undertaking procedural aspects of First Nations and Métis consultation in the development, construction or

operation of transmission lines or other large construction projects.” On page 155 of Section 10 - Evidence of experience in undertaking procedural aspects of First Nation and Métis consultation of its designation application, UCT notes that it has “highlight[ed] a number of key projects that outline [UCT’s] ability to successfully work with First Nation and Métis communities.” On pages 157 and 158, one project UCT highlights as an example of a “First Nation and Métis community engagement success stor[y]” is Enbridge’s Line 9 Reversal project.

A copy of Enbridge’s Aboriginal Engagement Activities Summary for the Line 9 reversal project is available from the National Energy Board: https://www.neb-one.gc.ca/ll-eng/livmlink.exe/fetch/2000/90464/90552/92263/790736/890819/890501/A3D7J3_-Attachment_6_-_Aboriginal_Engagement_Activities_Summary.pdf?nodeid=890251&vernum=0.

Question

- (a) Please confirm that the National Energy Board report is a complete record of Enbridge’s Aboriginal consultation on the Line 9 Reversal project.
- (b) Please confirm whether the Line 9 Reversal Project entailed any type of oral public hearing process before the National Energy Board.
- (c) Please confirm whether the Line 9 Reversal Project involved the installation of new pipeline along or adjacent to an existing corridor; or, if it did not, please describe the nature of the facilities that were constructed in respect of the project.

Interrogatory 7

Reference

Ref: Federal/Provincial Environmental Assessment Coordination in Ontario: A Guide for Proponents and the Public”, Page 7, available at http://www.ceaa-acee.gc.ca/ED4330AB-54FD-448B-B523-38B00187D618/Federal_Provincial_Guide_6260e.pdf

Preamble

Individual environmental assessments in Ontario can be generally characterized as either “traditional” and “focused”. The “Federal/Provincial Environmental Assessment Coordination in Ontario: A Guide for Proponents and the Public” guide explains “focused” environmental assessments as follows:

Proponents who are further along in their planning may be in a better position to define how they intend to prepare their EA [environmental assessment] (commonly known as “focusing” although the term is not used in the OEAA [Ontario *Environmental Assessment Act*]). The focusing provisions allow proponents to determine the requirements for how an EA will be prepared. That is, requirements may include more or less of the requirements prescribed under subsection 6.1(2) of the OEAA . Generally, when a “focused” individual EA ... is

carried out, a preferred “alternative to” is usually known during the ToR [Terms of Reference] stage...

In other words, in a “focused” environmental assessment the initial evaluation and elimination of alternatives is completed during the preparation of the Terms of Reference, leaving a narrower, focused range of alternatives to be considered during the environmental assessment. In contrast, in a “traditional” environmental assessment the evaluation and elimination of alternatives is completed as part of the environmental assessment.

Question

Please clarify whether UCT intends to conduct a “focused” or “traditional” environmental assessment.

**INTERROGATORIES FOR CANADIAN NIAGARA POWER INC.
(CNP)**

Interrogatory 1

Reference

Ref: CNP Application, Section 8.1, Page 111

Preamble

At page 111 of Section 8.1 of its designation application, CNP indicates that it has incurred \$200,000 in preparing its designation application and estimates it will incur an additional \$50,000-100,000 to achieve designation.

Question

Please describe the extent to which Fortis Ontario or another regulated entity is assuming the financial risk of CNP's non-recovery of designation costs.

Interrogatory 2

Reference

Ref: CNP Application, Section 8, Pages 110-115

Preamble

In Section 8 of its designation application, CNP outlines its incurred and anticipated designation and development costs.

Question

Please confirm whether any of CNP's designation or development costs have been or are expected to be funded or subsidized by another regulated utility. If so, please describe whether and how these costs will be transferred to CNP.