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VIA ELECTRONIC FILING & COURIER

March 14, 2013

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
PO Box 2319, 27th Floor
Toronto, ON
M4P 1E4

Dear Ms. Walli:

**Re: K2 Wind Ontario Limited Partnership;
Responses to Interrogatories
Board File Number EB-2012-0458**

We are writing on behalf of K2 Wind Ontario Limited Partnership ("**K2 Wind**") and in accordance with Procedural Order No. 1, to file K2 Wind's responses to the interrogatories of the Ontario Energy Board ("**Board**") Staff and the Ashfield-Colborne-Wawanosh ("**ACW**") Residents Group. Two hard copies of the responses and a CD ROM will be delivered to the Board and served on the intervenors as soon as possible.

1. Connection and Cost Recovery Agreement

OEB Staff interrogatory 11(iii) requests that K2 Wind provide a copy of its Connection Cost Recovery Agreement ("**CCRA**") with Hydro One Networks Inc. ("**Hydro One**"). Under the CCRA, "Confidential Information", which includes the CCRA itself, is not to be disclosed to any third party, directly or indirectly, without the prior written consent of the other party. Disclosure without such consent constitutes a default under the agreement.

By letter dated March 11, 2013, K2 Wind requested Hydro One's consent in this regard. By emails dated March 13 and 14, 2013, Hydro One advised that it would not consent to the disclosure on the public record of this proceeding certain provisions of the CCRA on the grounds that it would harm the integrity of Hydro One's tendering process and could threaten system security. The relevant portions of Hydro One's communications in this regard are as follows:

Detailed cost breakdown information and certain milestone dates pertaining to intermediate project deliverables and accomplishments have been redacted to maintain the integrity of Hydro One's tendering process, should Hydro One elect to contract out certain aspects of the project work. However, the Backfeed and Ready for Service dates have not been redacted.

In Schedule A, Part 6, the 7th and 12th bullets have been redacted to protect engineering design details that are potentially sensitive from a system security perspective.

2. Power Purchase Agreement

OEB Staff Interrogatory 1(iii) requests that K2 Wind provide a copy of its Power Purchase Agreement ("**PPA**") with the Ontario Power Authority ("**OPA**"). Under the terms of the PPA, in the event that K2 Wind is requested or required to disclose "Confidential Information," it must first seek the consent of the OPA. In response to K2 Wind's request in this regard, the OPA requested that certain provisions be redacted from the version of the PPA that is placed on the public record of this proceeding. The OPA advises that the disclosure of these provisions could prejudice the OPA in the context of negotiations with other renewable energy generators. The redacted provisions relate to domestic content, Ontario-based manufacturing, financial security, and remedies available to the OPA.

3. Confidential Filings

In light of the above and in accordance with Section 5.1 of the Board's *Practice Direction on Confidential Filings* ("**Practice Direction**"), we are enclosing confidential, un-redacted versions of the CCRA and the PPA, marked "confidential", that identify the portions of the agreements for which confidentiality is claimed as well as non-confidential, redacted versions of the CCRA and the PPA. K2 Wind requests that the Board order that the confidential versions of the CCRA and the PPA (i.e., the unredacted versions) not be disclosed on the public record of this proceeding. The OPA, Hydro One and thus, K2 Wind, do not object to the disclosure of the unredacted versions of the CCRA and the PPA to the intervenors' counsel and consultants in this proceeding (i.e, the Independent Electricity System Operator and the ACW Residents Group) provided they sign and file a Declaration and Undertaking pursuant to Section 6 of the Practice

Direction. Please note, however, that should any renewable energy generators be added as intervenors in this proceeding, the OPA advises that it would not consent to the unredacted version of the PPA being made available to these parties or to their external counsel or consultants in any circumstances.

4. Leave-to-Construct – Sunset Date

Information regarding the K2 Wind Power Project schedule, including the construction of the Proposed Facilities was included in the Application (Exhibit B-1-1, para. 12 and Exhibit C-2-1). Updated project schedule information has been provided in response to OEB Staff-3 (iii). In summary, the construction phase of the Proposed Facilities is now expected to commence in mid-September 2013 when K2 Wind expects to issue a Limited Notice to Proceed to its engineering, procurement and construction (“**EPC**”) contractor. Site mobilization is now expected to commence in April 2014 but could be delayed until July 2014 due to the risk factors outlined in Exhibit C-1-1, page 3 of the Application. K2 Wind requests that the Board take this schedule update into consideration and grant an 18 month period in which to commence construction from the date that the Board issues any Leave-to-Construct Order.

Yours very truly,

(signed) Helen T. Newland

Helen T. Newland

HTN/ko

Encls.

cc: Maureen Helt
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