

BY RESS AND EMAIL

March 26, 2013

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

Dear Ms. Walli:

Re: K2 Wind - Leave to Construct Application (EB-2012-0458)

We are writing in response to the Residents Group's letter of March 4, 2013, in which it sought permission of the Board to "request evidence from the IESO". For the reasons set out below, the IESO asks that the Board not grant the Resident Group's request.

Of particular concern to the IESO is the Residents Group's request that the IESO provide "any minutes or notes of meetings and discussions held in regard to the production" of the IESO System Impact Assessment (SIA) Report, filed by the applicant as evidence in its application. The request for such information should not be granted for the following reasons:

1. The information requested is subject to the confidentiality guidelines set out in Chapter 3, section 5, of the IESO Market Rules, specifically,
5.2.2 No market participant or the IESO:

5.2.2.3 shall use or reproduce confidential information for a purpose other than the purpose for which it was disclosed or another purpose contemplated by the market rules.

"Confidential information" is defined in Chapter 11 of the Market Rules as, (i) *information which has been supplied by the disclosing person in confidence implicitly or explicitly, where disclosure could reasonably be expected to: (a) prejudice significantly the competitive position of the disclosing person; (b) interfere significantly with the contractual or other negotiations of the disclosing person or another person; (c) result in undue loss or*

gain to the disclosing person or another person; (d) compromise the efficiency of the IESO-administered markets; (e) result in the disclosing person being in breach of a bona fide confidentiality agreement to which the information is subject; or (f) in the opinion of the IESO, pose a potential security threat to the integrated power system, the IESO-administered markets, or those of neighbouring jurisdictions; and (ii) information that, pursuant to the market rules or applicable law, the IESO or a market participant cannot disclose or make available to one or more persons.

2. The IESO has not filed evidence and therefore it would be inappropriate for an intervenor to request what are essentially interrogatories, from the IESO. Specifically, directing interrogatories to the IESO with respect to the SIA would in no way support the purposes of an interrogatory procedure as set out in section 28 of the OEB Rules and Procedures. Further, permitting an intervenor to request evidence from another intervenor is not contemplated in the OEB Rules and Procedures, and in the instance of S. 92 applications, would set a precedent that could have significant impacts on the IESO's ability to comply with the IESO Market Rules in relation to its responsibilities for assessing grid connections.
3. The IESO prepares System Impact Assessments for connection proponents to assess whether the proposed connection would have an adverse impact on the reliability of the integrated power system. The authority and responsibilities of the IESO with respect to conducting SIAs are set out in Chapter 4, section 6 of the Market Rules. The IESO's only interest in this proceeding is to ensure that the applicant's connection does not impair reliability. The IESO has conducted that assessment and has provided a Conditional Approval for the applicant to connect to the IESO-controlled grid. The information requested by the Residents Group would in no way provide additional assistance to the Board in determining whether the transmission line and associated facilities are in the public interest.
4. The IESO, unlike other intervenors in this proceeding, is not permitted to recover costs incurred in its role as an intervenor. To impose the burden of producing notes and minutes relating to the production of SIAs would cause the IESO to incur additional unrecoverable costs, which ultimately would have to be paid by consumers.

For the foregoing reasons, the IESO asks that the Board deny the requests made by the Residents Group.

With respect to the request regarding a "10 year plan on the projected power needs of Ontario", the IESO is able to advise that it does not engage in the study of medium or long term power needs for the province, nor does it prepare such plans. The Ontario Power Authority's legislative mandate is to undertake medium and long term planning activities.

Finally, the Residents Group requested information regarding the “number of occurrences of surplus baseload generation (SBG) in Ontario since 2006”; however the IESO does not publish historical reports of occurrences of SBG.

Yours truly,



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Regulatory Affairs
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