Ontario Energy Board P.O. Box 2319 27<sup>th</sup> Floor 2300 Yonge Street Toronto ON M4P 1E4 Telephone: 416-481-1967 Facsimile: 416-440-7656 Toll free: 1-888-632-6273 Commission de l'énergie de l'Ontario C.P. 2319 27° étage 2300, rue Yonge Toronto ON M4P 1E4 Téléphone: 416- 481-1967 Télécopieur: 416- 440-7656 Numéro sans frais: 1-888-632-6273



**BY E-MAIL** 

May 3, 2013

Kirsten Walli Board Secretary Ontario Energy Board P.O. Box 2319 2300 Yonge Street, Suite 2700 Toronto ON M4P 1E4

Dear Ms. Walli:

#### Re: Bornish Wind, LP, Kerwood Wind, Inc. and Jericho Wind, Inc. Applications for Leave to Construct Transmission Facilities Board File No. EB-2013-0040 and EB-2013-0041

In accordance with the process documented in Procedural Order No. 1, please find attached Board staff's interrogatories in the above proceeding.

Yours truly,

Original signed by

Violet Binette Project Advisor, Applications & Regulatory Audit

Attach

### Board Staff Interrogatories Leave to Construct Bornish Wind, LP, Kerwood Wind, Inc. and Jericho Wind, Inc. (The "Co-owners" and "Kerwood") EB-2013-0040 and EB-2013-0041 May 3, 2013

## **BUSINESS AND CORPORATE STRUCTURE**

Interrogatory 1

Ref: EB-2013-0040 Exh B-2-2 Ref: EB-2013-0041 Exh B-2-2

In the first reference, the business and corporate structure of Bornish Wind, LP, Kerwood Wind, Inc. and Jericho Wind, Inc. (the "Co-Owners") are described for the purposes of the leave to construct application (EB-2013-0040). In the second reference, the business and corporate structure of Kerwood Wind, Inc. ("Kerwood") is described for the purposes of the leave to construct application (EB-2013-0041). The partners of Bornish Wind, LP, Kerwood Wind, Inc. and Jericho Wind, Inc. are wholly owned subsidiaries of NextEra Energy Canada.

- (a) What experience do the Co-Owners and Kerwood (the "Applicants") have in the construction and operation of similar types of facilities as that proposed in these applications?
- (b) Please indicate what corporate organization capabilities exist to complete the applied for projects.
- (c) Please indicate whether the Applicants intend to make use of contractors and provide a summary of their experience in regards to the construction of such projects.

# **FIT CONTRACTS**

### **Interrogatory 2**

Ref: EB-2013-0040 Exh B-3-1 Ref: EB-2013-0041 Exh B-3-1

In July 2011, the OPA awarded contracts under the FIT program in respect of the Bornish, Adelaide and Jericho Projects. At Exh B-3-1, it states that the transmission facilities proposed in the leave to construct applications are needed to connect the projects to the IESO controlled grid.

Board staff notes that on July 4, 2011, the OPA listed the following projects on its website:

Applicant Legal Name	Project Name
Boulevard Associates Canada Inc.	Jericho Wind Energy Centre
Bornish Wind, LP	Bornish Wind Energy Centre
Summerhaven Wind, LP	Adelaide Wind Energy Centre

Please confirm whether the FIT contracts for the Jericho Wind Energy Centre and the Adelaide Wind Energy Centre have been re-assigned, or explain the relationship of Boulevard Associates Canada Inc. and Summerhaven Wind, LP to the Applicants.

# **RENEWABLE ENERGY APPROVAL ("REA")**

### Interrogatory 3

Ref: EB-2013-0040 Exh B-1-1 page 6, Exh E-2-1 Ref: EB-2013-0041 Exh B-1-1 page 4, Exh E-2-1

- (a) The Co-owners filed the REA submission for the Bornish and Co-Owner project on July 25, 2012. It was deemed complete on Oct 9, 2012. In the pre-filed evidence, the Co-owners state that a decision from the MOE in relation to the REA application is expected in April 2013. Have the Co-owners received a decision from the MOE in relation to its REA application?
- (b) Similarly, Kerwood filed the REA submission for the Adelaide project on August 23, 2012. It was deemed complete on November 29, 2012. In the pre-filed evidence, Kerwood states that a decision from the MOE in relation to the REA application is expected in May 2013. Has Kerwood received a decision from the MOE in relation to its REA application?
- (c) Have there been any objections to the granting of the REA and if so by which parties? What has been the general nature of the concerns that have been raised?
- (d) If applicable, please file a copy of the REA approvals.

# LAND RIGHTS FOR STATIONS

### Interrogatory 4

Ref: EB-2013-0040 Exh B-1-1 page 4, Exh F-1-1

At Exh B-1-1, the Co-owners state that the Bornish Collection Substation ("BCS"), the Bornish Customer Switching Station ("BCSS") and the Parkhill Customer Transformer Station ("CTS") will be located on private land and that the Co-owners have secured the necessary private land rights for the proposed stations.

At Exh F-1-1, it states that the 13 acres for the Parkhill CTS has been purchased by the Co-owners. The Co-owners have entered into an option to purchase agreement for the 2 acres for the BCS and the 1.5 acres for the BCSS. What is the current status of the land acquisition for BCS and BCSS?

Interrogatory 5 Ref: EB-2013-0041 Exh B-1-1 page 3, Exh B-2-1, Exh F-1-1

At page 3 of Exh B-1-1, it states that:

[Kerwood] proposes to locate the Adelaide Collection Substation on private lands. To this end, the necessary private land rights have been secured. In particular, Bornish has entered into a Purchase and Sale Agreement for the relevant property. Although this transaction has not yet closed, it is intended that Bornish will convey the property to Kerwood prior to the commencement of construction.

- (a) What is the current status of the land acquisition for the Adelaide Collection Substation?
- (b) If the transaction has closed, has the property been conveyed to Kerwood? If not, when will Bornish convey the property to Kerwood?

# **TRANSMISSION LINES – ROUTING AND LAND RIGHTS**

### **Interrogatory 6**

Ref: EB-2013-0040 Exh B-4-1

At page 2 of Exh B-4-1 of the Co-owner's application, it states that:

More specifically, with the exception of the short segments of the Transmission Line that run between the Bornish CSS and the municipal road ROW, as well as between the municipal road ROW and the Parkhill CTS, the proposed Transmission Line route will run entirely within the municipal ROWs along Kerwood Road and Elginfield Road/Nairn Road.

Have the Co-owners acquired land rights related to the exceptions noted above?

#### Interrogatory 7

Ref: EB-2013-0040 Exh G-1-1

At Exh G-1-1 for EB-2013-0040, it states

NextEra has been in discussion with County staff regarding a Road User Agreement for the right-of-way use for these transmission lines since early 2012. In November 2012, NextEra Energy Canada on behalf of the [Co-Owners] met with representatives of ... the Middlesex County delegation during their public proceedings [and] a County Council meeting on behalf of Bornish, Adelaide, and Jericho to more formally request to enter into such a Road User Agreement with the County. Bornish and Adelaide Kerwood expect to work towards finalizing these Road User Agreements with the County and Municipalities throughout the first quarter of 2013.

Have the Road User Agreements been finalized? If not, what is the status?

### **Interrogatory 8**

Ref: EB-2013-0040 Exh B-4-1

At pages 3 and 4 of Exh B-4-1, the Co-owners state that within the ElginfieldRoad/Nairn Road ROW, the proposed 12.6 km transmission line would run generally along the south side of Elginfield Road/Nairn Road ROW between Kerwood Road and the Parkhill CTS with two exceptions. One of the proposed exceptions is related to Bell Canada overhead telecommunications facilities (0.67 km) and the other is related to Hydro One distribution facilities (0.16 km). The application states that:

Along each of these discrete segments where the [Co-owners] plans to locate the Transmission Line along the north side of the ROW, there are no Hydro One distribution facilities or other existing overhead utilities running along the north side of the ROW. While it is the intent of the [Coowners] to locate the Transmission Line as described above, the final location of the facilities within the ROW will be subject to final engineering and design. For this reason, the [Co-owners'] request is not limited to the specific design within the ROW. As a result, the route for which the [Coowners] seek approval is defined more broadly to include either side of the road in the ROW in the event of any future accommodation by Hydro One or Bell Canada as to location.

- (a) Please confirm whether the routing that was identified for the REA specifically identified the cross overs as described on pages 3 and 4 of Exh B-4-1.
- (b) Are any other cross overs anticipated?

### **Interrogatory 9**

Ref: EB-2013-0040 Exh B-4-1

The pre-filed evidence of the Co-owners states:

Furthermore, it is not currently anticipated that private lands adjacent to the ROW will be required. However, through final engineering and project planning it may be determined that the use of certain lands adjacent to the municipal road ROW is necessary for construction, access or other purposes. As such, the Applicant also requests the Board's approval for the **potential use of such adjacent lands** for these purposes. [emphasis added]

Please prepare a table summarizing the following for the adjacent lands:

• PIN, Lot and Concession numbers

- Identify the type of easement that is required and the size of the easement
- Identify the status of negotiations

### **Interrogatory 10**

Ref: EB-2013-0040 Exh B-4-1, pages 4-5

Along approximately 79% of the proposed transmission line corridor, there are existing Hydro One distribution poles within the ROW. The evidence states that the Co-owners consulted extensively with Hydro One concerning the Co-owners' interest in co-locating. Hydro One advised that it will not accommodate requests for joint use of distribution poles to support transmission voltage lines.

- (a) Given the proposed Transmission Line will be sharing the right of way or will be in close proximity to Hydro One's distribution lines, please provide a summary of the discussions that the Co-owner has had with Hydro One in relation to this matter. Please identify any concerns that may have been noted by Hydro One in regards to this matter and what measures have been taken by the Co-owner to alleviate Hydro One's concerns. Please identify whether any agreements with Hydro One will be required, and if so, the status of those agreements.
- (b) Please indicate the design and construction standards and procedures, relating to proximity and effects such as induction, which will protect pre-existing facilities and personnel from direct and induced currents and voltages. Include in your discussion corrosion protection, cable location identification, and grounding for safety and "tingle" or "stray" voltage.

### **Interrogatory 11**

Ref: EB-2013-0040 Exh B-4-1, pages 5-6 and Exh G-1-1

At Exh B-4-1, it states:

Through consultations with potentially affected landowners, the [Coowners] found that there was a strong preference from landowners for locating the line along the back (south) side of their properties rather than along the front part of their properties abutting the Elginfield Road/Nairn Road ROW. ...

The [Co-owners] pursued the additional environmental studies that would be needed to include the back country route within its REA, with a view to potentially seeking an amendment to its REA submission. The preliminary environmental reviews for the back country route showed that, relative to the proposed Transmission Line route within the municipal road ROW, a significant amount of tree removal and vegetation clearing, including through woodlots and wetlands, would be required to support this alternative. In addition, it was ultimately determined that the length of time needed to finalize the studies and to obtain the necessary approvals for such an amendment was not compatible with the project schedule. Exh G-1-1 summarizes community and stakeholder consultations starting in February 2008 and continuing to July 2012. With respect to these community consultations and the REA submission filed on July 25, 2012:

- (a) When was the preference for the back country routing first identified?
- (b) When were the preliminary environmental reviews for the back country route completed?
- (c) What was the estimated length of time needed to finalize the studies and to obtain the necessary approvals for the back country routing?

### Interrogatory 12

Ref: EB-2013-0041 Exh F-1-1

In Kerwood's application, it states:

With the exception of the segments of the Transmission Line between the municipal road ROW and each of the Adelaide Collection Substation and the Bornish Customer Switching Station, [Kerwood] plans for the Transmission Line to run exclusively within the municipal road ROW along Kerwood Road.

Has Kerwood acquired land rights related to the exceptions noted above?

#### Interrogatory 13

Ref: EB-2013-0041 Exh B-4-1, page1

Kerwood states that it:

... identified a number of constraints on the range of potential transmission routes. In addition to addressing these constraints, the Applicant has made refinements along the route corridor to the extent feasible in order to address stakeholder concerns and other issues.

Please identify/specify the constraints and the refinements referred to in Exh B-4-1.

#### Interrogatory 14

Ref: EB-2013-0041 Exh B-4-1, pages 3-4 and Exh F-1-1

Kerwood has concluded that the Kerwood Road crossing of the Ausable River is the most direct route affecting the smallest number of people for the proposed 10.8 km line. At Exh B-4-1, Kerwood states that it has:

... investigated the possibility of obtaining private easements immediately adjacent to Kerwood Road and has also considered the options available to it with respect to the use of the municipal road rights-of-way ("**ROWs**")

along this corridor. Based on this analysis and related consultations with affected landowners and stakeholders, [Kerwood] is currently planning for the route to run entirely within the municipal road ROW.

As summarized in Exh F-1-1, Kerwood is planning to construct the transmission line on the opposite side of the ROW from existing Hydro One distribution facilities while remaining within the municipal road ROW. Exh B-4-1 notes two options for the route crossing the Ausable River to accommodate Bell Canada facilities. Exh F-1-1 describes four cross overs from one side of the ROW to the other.

- (a) Have the Road User Agreements been finalized with the Municipality? If not, what is the status?
- (b) Please confirm the routing across the Ausable River with respect to the Bell Canada facilities. Please identify whether any agreements with Bell Canada will be required, and if so, the status of those agreements.
- (c) Please confirm whether the routing that was identified for the REA specifically identified the cross overs as described in Exh F-1-1.
- (d) Please confirm whether any other cross overs are anticipated.

### **Interrogatory 15**

Ref: EB-2013-0041 Exh B-4-1, page 4

Kerwood states that its:

... request for approval is not limited to the specific design within the ROW. Rather, [Kerwood] seeks approval for a route that includes either side of the Kerwood Road ROW. Furthermore, it is not currently anticipated that private lands adjacent to the ROW will be required. However, through final engineering and project planning it may be determined that the use of certain lands adjacent to the municipal road ROW is necessary for construction, access or other purposes. As such, [Kerwood] also requests the Board's approval for the potential use of such adjacent lands for these purposes.

Please prepare a table summarizing the following for the adjacent lands

- PIN, Lot and Concession numbers
- Identify the type of easement that is required and the size of the easement
- Identify the status of negotiations

### **Interrogatory 16**

Ref: EB-2013-0041 Exh B-4-1, page 4

Along approximately 60.5% of the proposed transmission line corridor, there are existing Hydro One distribution poles within the ROW. The evidence states that Kerwood consulted extensively with Hydro One concerning Kerwood's' interest in co-

locating. Hydro One advised that it will not accommodate requests for joint use of distribution poles to support transmission voltage lines.

- (a) Given the proposed Transmission Line will be sharing the right of way or will be in close proximity to Hydro One's distribution lines, please provide a summary of the discussions that [Kerwood] has had with Hydro One in relation to this matter. Please identify any concerns that may have been noted by Hydro One in regards to this matter and what measures have been taken by [Kerwood] to alleviate Hydro One's concerns. Please identify whether any agreements with Hydro One will be required, and if so, the status of those agreements.
- (b) Please indicate the design and construction standards and procedures, relating to proximity and effects such as induction, which will protect pre-existing facilities and personnel from direct and induced currents and voltages. Include in your discussion corrosion protection, cable location identification, and grounding for safety and "tingle" or "stray" voltage.

# PERMITS, APPROVALS AND CONSTRUCTION SCHEDULE

### **Interrogatory 17**

Ref: EB-2013-0040 Exh C-1-1 and Exh E-2-1 Ref: EB-2013-0041 Exh C-1-1 and Exh E-2-1

- (a) At Exh E-2-1 the Applicants have listed potentially applicable permits, approvals and authorizations. Please specify
  - which permits/approvals are necessary prior to the commencement of construction of the transmission facilities,
  - whether any of the permits/approvals are interdependent
  - the current status and timelines for obtaining necessary permits/approvals
- (b) The Applicants have provided Gantt Charts summarizing milestone dates. Please update these charts if the dates for the noted events have changed.

# FORMS OF LAND AGREEMENTS

# **Interrogatory 18**

Ref: EB-2013-0040 Exh F-2-1 Ref: EB-2013-0041 Exh F-2-1

- (a) Please confirm that the forms of land agreements provided in Exh F-2-1 are the agreements that the Applicants have used for the acquisition of land rights.
- (b) Are there any other forms of land agreements that have been used or that the Applicants intend to use?
- (c) Have landowners expressed any concern with the forms of land agreements? If yes, please summarize the concerns that were noted with respect to the option/easement agreements. What steps have the Applicants taken to alleviate these concerns?

(d) Have the Applicants offered and/or provided any legal compensation to landowners to cover legal costs for those who wished to have their form of land agreement reviewed by a legal consultant, or counsel? If not, would it be prepared to do so for the acquisition of any outstanding land rights?

## SYSTEM IMPACT ASSESSMENT

#### **Interrogatory 19**

Ref: EB-2013-0040 Exh H-2-1 Ref: EB-2013-0041 Exh H-2-1

Page 2 of the System Impact Assessment Report (December 21, 2011) and page 1 of the SIA Addendum (June 6, 2012) set out the requirements that are applicable to Hydro One (the transmitter) for the incorporation of the proposed projects.

- (a) Please provide cost estimates and cost responsibility for the noted upgrades. If necessary, please consult Hydro One for the purposes of completing this interrogatory.
- (b) Please submit the Connection Cost Recovery Agreements, when finalized.
- (c) Please confirm that the Co-Owners and Kerwood are responsible for the total cost of the facilities proposed in the applications and that it will have no impact on transmission rates in Ontario.

### CONNECTION AGREEMENTS BETWEEN THE APPLICANTS AND HYDRO ONE

### **Interrogatory 20**

Ref: EB-2013-0040 Exh B-1-1 Ref: Transmission System Code ("TSC"), June 10, 2010, Section 4.1.1 and Appendix 1 – Version B, Form of Connection Agreement for Generator Customers

At Exh B-1-1, the transmission and interconnection facilities related to EB-2013-0040 are described. The Co-owners (Bornish Wind, LP, Kerwood Wind, Inc. and Jericho Wind, Inc.) will own the Bornish Customer Switching Station ("BCSS"), a 12.6 km single circuit 115 kV transmission line, and the Parkhill Customer Transformer Station ("Parkhill CTS").

Section 4.1.1 of the TSC requires that Hydro One enter into a connection agreement with customers directly connected to the transmission system. For generation customers, the form of the agreement is provided at Appendix 1, Version B of the TSC.

(a) As the BCSS, transmission line and Parkhill CTS will be co-owned by three subsidiaries of NextEra Energy, please confirm whether each of the subsidiaries will conclude a connection agreement with Hydro One.

- (b) If the answer to (a) above is affirmative, please indicate the status of these agreements with Hydro One.
- (c) If the answer to (a) above is that the subsidiaries are not pursuing three connection agreements with Hydro One, please explain how the TSC's requirements and provisions would be binding on three wind generation projects. Please refer to the response to Interrogatory 2 and provide additional explanation if required.

### LICENSING MATTERS

### **Interrogatory 21**

Ref: EB-2013-0040 Exh D-1-1 page 6

In the pre-filed evidence, the Co-owners discuss the potential interconnection of a third party renewable generator:

Suncor Energy Products Inc. ("Suncor") is the proponent of a proposed renewable energy generation facility of up to 100 MW located in Lambton County (the "Suncor Energy Cedar Point Wind Power Project"). The planned location for the Suncor Energy Cedar Point Wind Power Project is in close proximity and to the west of the Jericho Project site. As such, there is a possibility that Suncor may connect the Suncor Energy Cedar Point Wind Power Project to the IESO-controlled grid through the planned Jericho transmission facilities (which will be the subject of a future Section 92 application by Jericho), together with those components of the present Application that will be owned by the Co-Owners. The potential connection of the Suncor Energy Cedar Point Wind Power Project has been considered in the SIA Addendum Report provided in Exhibit H, Tab 2, Schedule 1, Appendix C, as well as in the CIA Addendum Report provided in Exhibit H, Tab 3, Schedule 1, Appendix B. The Applicants do not intend for Suncor to become a co-owner of any of the Proposed Transmission Facilities and the Applicant will continue to be exempt under Ontario Regulation 161/99 with respect to the requirement to obtain a licence to own or operate transmission facilities. To the extent Suncor utilizes the Proposed Transmission Facilities, they will do so as a licensee.

- (a) What is the status of the potential connection of the Suncor Project through the Jericho transmission facilities?
- (b) Are the Co-owners and Suncor the counterparties to this potential arrangement, or are the counterparties Jericho Wind, Inc. and Suncor?
- (c) Exh D-1-1 states that there will continue to be exemptions under O.Reg. 161/99 with respect to the requirement to obtain a licence to own or operate transmission facilities. Please explain the transmission licence exemptions with respect to all relevant subsections of section 4.0.2 of O.Reg. 161/99.

#### **Interrogatory 22**

Ref: EB-2013-0041 Exh E-2-1 page 1-2

Kerwood states that:

Although the Proposed Transmission Facilities will be used for the transmission of electricity generated by the Adelaide Project, by application of Ontario Regulation 161/99 under the Act, [Kerwood] will be exempt from the requirement to obtain a license to own or operate transmission facilities pursuant to Section 57( b) of the Act. This is because [Kerwood] will be a transmitter that is also a generator and the Proposed Transmission Facilities will be used to transmit electricity only for the purpose of conveying electricity to the IESO-controlled grid. **Moreover, [Kerwood] will not charge a price for transmitting electricity on the Proposed Transmission Facilities.** [emphasis added]

- (a) Does Kerwood plan to connect the generation of other parties to the Kerwood transmission facilities?
- (b) If yes, please explain the transmission licence exemptions with respect to all relevant subsections of section 4.0.2 of O.Reg. 161/99.