



Fogler, Rubinoff LLP
Lawyers

77 King Street West
Suite 3000, PO Box 95
TD Centre North Tower
Toronto, ON M5K 1G8
t: 416.864.9700 | f: 416.941.8852
foglers.com

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Reply To: Thomas Brett
Direct Dial: 416.941.8861
E-mail: tbrett@foglers.com
Our File No. 134380

VIA RESS, EMAIL AND COURIER

Ontario Energy Board
2300 Yonge Street
Suite 2700
Toronto Ontario
M4P 1E4

Attention: Kirsten Walli,
Board Secretary

Dear Ms. Walli:

**Re: Motion of Concerned Seniors Lambton County and We're Against Industrial
Turbines Plympton-Wyoming ("WAIT"), concerning some of WAIT's original
IRs dated April 25, 2014
Board File No. EB-2014-0022**

I am writing with respect to WAIT's motion dated April 25, 2014 to have the Board direct Suncor to provide "full and adequate responses" to IR#1, Questions 2, 3, 4 and 5 of WAIT's original IRs (the "motion").

Suncor answered these four questions at pp 25 to 27 of its IR response package, filed April 17, 2014 (a copy of the questions and answers is attached).

Questions 2 and 3 of the original IRs, which are restated as questions 1 and 2 of the motion, deal with the interpretation of provisions of the Ontario Energy Board Act. While Suncor originally replied to the questions in order to be as helpful as possible, these questions should be addressed by parties in their submissions (arguments), and are not appropriate interrogatories. WAIT's request that the:

"Board require Suncor to review with the Board and articulate a very basic concept..."
(p2)

is, on its face, not an appropriate interrogatory.

Question 3 of the April 25, 2014 motion is original IR #4.

In our original response, Suncor confirmed its evidence that the transmission facilities have been designed to provide up to 100 MW (nameplate capacity) to the IESO-controlled grid.

Question 4 of the April 25, 2014 motion (original question 5) asks Suncor to provide estimates of the extent to which Suncor's generation facilities will be dispatched over the next five years.

Suncor is of the view that the amount of electricity that is ultimately provided to the IESO grid through the proposed transmission facilities is irrelevant to the application. The Board has stated in several similar cases that the amount or price of the electricity commodity that will be generated by the generation project is beyond the scope of a leave to construct proceeding for the associated transmission. For example, in EB-2013-0040/EB-2013-0041, the Board stated:

"With respect to wind generation projects and the interests of consumers, the cost of power from such projects was the subject of some letters of comment. The Board in making a determination with respect to the interest of consumers with respect to prices, limits its review to the cost of connection of the wind generation facility to the provincial transmission system. A review of the actual commodity cost of wind power is outside the Board's jurisdiction in this proceeding" (p7) (our emphasis).

Moreover, Suncor has committed to pay the capital and operating costs of the facilities and Suncor bears the risk of any underutilization of the facilities.

Based on these comments and circumstances, Suncor respectfully suggests that the motion does not contribute to a better understanding by the Board and parties of the issues in this proceeding. It seeks answers to questions that ought to be dealt with in Argument or are outside the scope of this proceeding. In Suncor's view, the motion is repetitive, will add to parties' and the Board's costs, and cause more delay.

For these reasons, Suncor urges the Board not to entertain the motion.

Yours sincerely,

FOGLER, RUBINOFF LLP



Thomas Brett

TB/dd

Encls.

cc: All Parties

**Responses of Suncor Energy Products Inc. to
Interrogatories from Concerned Seniors Lambton County, and WAIT_PW**

Interrogatory #1

The wording of s.92 and the fact that this application is under consideration by the OEB, implies that this transmission facility will provide a benefit to the consumer should it proceed.

In order to participate fully and in a more knowledgeable manner in this hearing, we wish to have a better understanding of what the contribution from this transmission line will be, and what the benefit to consumers will be. Thus we would ask Suncor to provide the following information listed below. In the event that Suncor is not in a position to provide the answers, we would ask the other stakeholders to provide their input as they see fit:

1. The wording "*in the public interest*" and "*the interests of consumers*" appear in the OEB Act and in the PO1 document. Our understanding is that both terms refer to the ratepayers and taxpayers in the province. Is this consistent with Suncor's understanding of these terms?
2. Section 1.1 of the Act, includes the following directives to the Board:
 1. "*To protect the interests of consumers with respect to prices*", and
 2. "*To promote economic efficiency and cost effectiveness in the generation, transmission, distribution, sale and demand management of electricity and to facilitate the maintenance of a financially viable electricity industry*"

We interpret that to mean that the Board is tasked to consider all options in the generation, transmission, distribution, sale and demand management of electricity, and to select the lowest cost option, so long as that option does not compromise the safety and reliability of the grid or electricity supply. Is this interpretation consistent with Suncor's interpretation?

3. The fourth item in the Section 1.1 of the Act includes the following directives to the Board: "*To promote the use and generation of electricity from renewable energy sources in a manner consistent with the policies of the Government of Ontario, including the timely expansion or reinforcement of transmission systems and distribution systems to accommodate the connection of renewable energy generation facilities*" We understand "timely" to mean that any required facilities are to be built and operational before the need arises, but we are uncertain what timeframe this refers to. What is Suncor's interpretation of "timely expansion" in terms of months or years?
4. Based on the nameplate capacity of the electrical source, and the meteorological data on the availability of favourable weather conditions, what is the total potential quantity of electricity, in MWh, that Suncor believe could be conveyed to the IESO controlled grid through this transmission line for each quarter during the first full calendar year of operation, and on a yearly basis for the next five years?
5. Based on:

1. the current (Q1 2014) base capacity of the IESO grid,
2. the projected electrical demand provided by the IESO,
3. the overlap of favourable weather conditions and electricity demand above the current base capacity of the IESO grid,
4. the new rules for power dispatching that came into effect in September 2013,

what is Suncor's estimate of the total actual quantity of electricity, in MWh, that will be delivered by this transmission line to the grid for each quarter during the first full year of operation, and on a yearly basis, for the next five years expressed in terms of MWh?

Response:

1. The Board has described how it interprets the phrase the "public interest" in several decisions. The Board considers the public interest to be an amalgam of several particular and specific interests, including the interests of ratepayers (consumers of utility delivery services). The weight the Board gives to each component of the public interest may vary from case to case. Suncor agrees with the Board's perception of the public interest.

In considering leave to construct applications, the Board is guided by section 96(2) of the Ontario Energy Board Act (the "Act"), which states that:

"In an application under section 92, the Board shall only consider the following when, under subsection (1), it considers whether the construction, expansion or reinforcement of the electricity transmission line or electricity distribution line, or the making of the interconnection, is in the public interest:

1. The interests of consumers with respect to prices and the reliability and quality of electricity service.
2. Where applicable and in a manner consistent with the policies of the Government of Ontario, the promotion of the use of renewable energy sources. 2009, c. 12, Sched. D, s. 16."

As stated above, in leave to construct applications, section 96(2) directs the Board to take into account the interest of consumers with respect to the price, reliability and quality of delivery service.

2. In leave to construct applications, the Board considers the stand-alone economic viability of the proposed transmission facility to ensure that it does not impose undue costs on existing ratepayers. In cases like this one, where the applicant (Suncor) agrees to pay the capital and operating costs of the proposed transmission facility, the Board has deemed the project to be economically viable. More generally, the Board regulates the transmission and distribution of electricity; it does not regulate the price of the electricity commodity.

3. Suncor interprets the Board objectives cited in the question to include the responsibility to consider the application by transmitters for leave to construct facilities to attach their renewable energy projects to the IESO-controlled grid (or distribution system) as appropriate, in a timely fashion. Because Suncor's FIT contract contains commercial milestones for placing the generation project in service, the Board's consideration of the leave to construct application needs to be "timely" in the sense of being synchronized with the generation project's commercial timetable.
4. The Cedar Point Project and associated transmission facilities has been designed to provide up to 100 MW (nameplate capacity) of renewable energy to the IESO-controlled grid, consistent with its obligations under the FIT contract. The information requested is considered commercially sensitive.
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