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Reply To: Thomas Brett
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Our File No. 134380

VIA RESS, EMAIL AND COURIER

Ontario Energy Board
2300 Yonge Street
Suite 2700
Toronto Ontario
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Attention: Kirsten Walli,
Board Secretary

Dear Ms. Walli:

**Re: Suncor Energy Products Inc. ("Suncor")
Application for Leave to Construct Transmission Facilities
Board File No. EB-2014-0022**

Suncor is writing in reply to the Board Staff's letter of July 22, 2014, and pursuant to the Board's Procedural Order No. 4, to address the issue, posed by the Board of the relevance to the leave to construct proceeding of two commercial Agreements, Suncor's Shared Transmission Facilities and Option Agreement with Kerwood Wind Inc., Jericho Wind Inc., and Bornish Wind LP (all of which entities are owned by NextEra Energy Canada Inc.), and Suncor's Jericho Shared Transmission Facilities and Option Agreement with Jericho Wind Inc. (the "Agreements"). No party other than Board staff has made submissions on this issue.

Suncor's evidence states that Suncor has entered into the Agreements in order to convey the electricity produced from its Cedar Point II Wind Energy Project (the "Project") to the IESO-controlled grid. It did this because utilizing transmission infrastructure proposed to be constructed by the entities referred to above, which lie between Suncor's Project and HONI's high voltage transmission line ("HONI"), was more efficient, left a smaller environmental footprint, and was more desirable to HONI because it results in fewer connections to the high voltage line, than constructing the alternative transmission infrastructure from the Project directly to HONI.

NextEra was granted Leave to Construct for its proposed infrastructure in EB-2013-0040 and EB-2013-0361, in late 2013 and early 2014, respectively. The infrastructure in question is now under construction.

Suncor filed copies of the commercial Agreements on a confidential basis, in response to interrogatories from Board Staff and the County of Lambton in April 2014. Suncor also filed redacted versions of the Agreements on the public record on June 17, 2014.

Suncor's view is that the fact that there are Agreements in place with the NextEra-controlled counterparties to permit electricity to flow from Suncor's Project to the IESO-controlled grid is relevant for this proceeding, but that the commercial details of those Agreements, for example, the compensation paid by Suncor, is not.

The redacted versions of the Agreements are evidence that the Agreements exist, which, together with Suncor's pre-filed evidence, should provide the needed assurance to the parties and the Board that Suncor's Project will have the required access to the grid. Suncor submits that the Board, in deciding the issue of whether to grant Suncor Leave to Construct, in the circumstances of this case, where the Applicant pays for its own transmission line to the IESO-controlled grid, need not have regard to the details of any compensation Suncor pays to owners of enabling infrastructure, or other related commercial arrangements which the two parties have.

Respectfully,

FOGLER, RUBINOFF LLP



Thomas Brett

TB/dd

cc: All Parties