



Ontario Energy Board
Attn: Kirsten Walli, Board Secretary
PO Box 2319
27th Floor 2300 Yonge
Street Toronto ON
M4P 14

April 17, 2015

Dear Ms. Walli,

Re: EB 2015-0137

1. I am writing this Letter of Comment on behalf of myself and the community group *We're Against Industrial Turbines Plympton Wyoming* (WAIT PW). Our understanding is that the sole purpose of this EB 2015-0137 hearing is to consider a request by Suncor Energy Products Inc. to assign its leave to construct its transmission facility, granted in EB-2014-0022, to a new entity, Cedar Point II Limited Partnership and to do so without a public hearing. This letter of comment requests that you deny Suncor's request to have you consider granting this transfer as a private matter i.e. with no public hearing.
2. Suncor is incorrect in asserting that its main reason for not wanting a public hearing is that no other parties will be affected by this transfer.
3. In fact, the entire community subjected to this wind energy facility is a party to this matter and it could very easily be adversely affected. To allow Suncor to accomplish this transfer without a public hearing is not in the public interest. A recent search of the Land Registry Office in Goderich (Service Ontario) has revealed the registration of a one billion dollar encumbrance by K2 Wind Ontario Inc. on 100 wind leaseholder properties in Ashfield-Colborne-Wawanosh (ACW), home of the 140 turbine K2 Wind Project. Certified public records indicate that some properties may be encumbered at twenty times their farm land value, or more. This discovery could have a profound effect on a leaseholders' ability to borrow money, sell the farm or otherwise do what he/she sees fit with their own land. Similar wind energy company activity occurred last year in Manitoulin. These companies are all eager to minimize capital risk. Suncor and NextEra are no different. The OEB has a clear responsibility and the authority to assure the public that these companies have in fact

appropriate investment and sufficient capital backing by parent companies to construct, operate and maintain these facilities for the duration of the FIT contracts.

4. Government contracts are subject to the politics of the day – the concept of ‘public interest’ is a dynamic, ever evolving creature. Contract changes are made (e.g. the June 20, 2013 Amended **and Restated Wind Energy Agreement** with the Korea Electric Power Corporation and Samsung C&T Corporation). Moratoriums are pronounced with impunity (e.g. outcome of the Trillium Wind Power case). Renewable energy supply generators have their output forcibly curtailed by the IESO and now may not even have potential private hydro transmitters purchase their wind power in an open market. When the Liberal government succeeds in selling off majority interest in Hydro One Transmission, what is happening in Australia right now could easily happen here. Why would any private hydro transmitter buy wind power when other sources are cheaper and far more reliable? Suncor Energy Products Inc. wants to minimize its exposure to an indeterminate and unquantifiable risk. We understand Suncor’s need to first and foremost protect its shareholders. Unfortunately, that need may put the public interest at risk. In essence, Suncor is divesting itself of half its liability by entering into this partnership with NextEra. Were this new entity to fail, that failure would not be fatal to either parent company. Both companies are making this move to manage the risks associated with contracts based on politically controlled public policy. Any potential fallout (abandonment, for example) impacts the community.
5. The FIT program guarantees more than just a power purchase rate for a 20 year period. It guarantees access to financing and it guarantees a reasonable rate of return. The program also requires that the FIT contract companies “must be willing to make necessary investments in their facilities, including certain ongoing costs and risks of operation and maintenance”. The Board, in chapter 4 of EB2006-0170 **Filing Requirements for Transmission Applications** states:

4.1 Introduction

The filing requirements set out in this document are not intended to limit applicants in terms of what information they may want to present. Nor do these filing requirements limit the discretion of the Board in terms of what information and evidence it may wish to see.

4.2.2 Non Rate Regulated Applicants

Most of the projects proposed by non rate regulated applicants are designed to connect sites or plants to the electric power system. The financial risk of constructing new transmission facilities lies with the owners and shareholders of the company. The filing requirements for non-regulated entities reflect this risk structure.

Transmitters and distributors applying for transmission connection projects must include additional information as set out in the TSC in their applications to the Board, such as the calculation of any capital contribution

6. The Board acting in the public interest requires the Applicant to cover all PTF costs and can ask about an Applicant's capital contribution to the PTF.
7. In this case, the transmission facility is proposed to be co-owned. The Board includes in its requirements for the Application Exhibit B 1. a bullet "financial structuring of the project, as necessary". This financial restructuring information needs to be made public, particularly, all capital contribution co-ownership details.
8. The Board has discretionary power to require financial disclosure and to require any other information and evidence it may wish to see. Our concern is that in managing risk to protect capital investment, this new entity may not be as financially viable as the parent companies. The public needs assurances that this new entity is in fact properly financed by its parent companies.
9. Unfortunately, corporations do sometimes walk away from projects and that action in this instance may well have adverse consequences on the price and cost of electricity to consumers and ratepayers. Until financial restructuring details are posted, the public has no assurance that transferring this Leave to Construct to this new entity will be in the public interest and that the community is not being put in harm's way by this proposal.
10. We respectfully request that the Board deny Suncor's request to not hold a public hearing. Further, we ask that the Board act on its precedent set in a similar request by NextEra Energy EB-2014-0167. The Board posted all application details, including unaudited financial statements for the preceding two years and our expectation is that the same procedure be followed here.

Sincerely,

Elizabeth Bellavance

