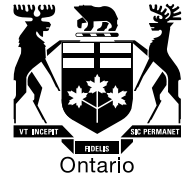


**Ontario Energy
Board**
P.O. Box 2319
27th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

**Commission de l'énergie
de l'Ontario**
C.P. 2319
27e 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

August 21, 2017

Laurie Kilpatrick
Association to Protect Amherst Island (APAI)

Dear Laurie Kilpatrick:

**Re: Leave to construct application by Windlectric Inc. (Windlectric),
OEB File No. EB-2014-0300**

This letter is in response to your correspondence dated June 27, 2017 and the APAI email messages of July 7 and 10, 2017 with respect to the Windlectric leave to construct application (EB-2014-0300).

As you know, on December 10, 2015 the OEB granted Windlectric leave, pursuant to section 92 of the *Ontario Energy Board Act, 1998* (the Act), to construct transmission facilities in accordance with the OEB's Decision in this proceeding and subject to fulfillment of the requirements of the SIA and CIA and Windlectric commencing construction within 12 months of the date of the OEB's Order. The OEB also authorized the construction of certain crossings of municipal roads by Windlectric pursuant to section 101 of the Act, in accordance with its application and required agreements and permits. The OEB also approved the forms of agreements offered to landowners by Windlectric, pursuant to section 97 of the Act.

Windlectric's transmission facilities include:

- A substation, located on Part Lots 31, 32 and 33, Concession 1, on Amherst Island in Loyalist Township, in the County of Lennox and Addington, Ontario at which power from the 34.5 kV collection system generated by the Generation Project will be transformed from 34.5 kV to 115 kV by means of one 115/34.5 kV, 50/67/84 MVA transformer (Project Substation).

- A 115 kV switching station located on Part Lots 23, 24 and 25, Concession 1, in Loyalist Township in the County of Lennox and Addington, adjacent to the existing Hydro One Networks Inc. (Hydro One) circuit Q6S (Switching Station).
- Approximately 5.9 Km single circuit 115 kV transmission line (Transmission Line), including overhead, underground and submarine segments, connecting the Project Substation to the Switching Station.

The OEB noted in the Decision that “Windlectric is responsible for obtaining all necessary approvals, permits, licences, certificates, land agreements, connection agreements and easement rights required to construct, operate and maintain the Proposed Transmission Facilities.”

The OEB’s Decision included an Order that set out the conditions under which the approvals were granted. Among them was the condition that leave to construct the transmission facilities under section 92 of the Act was granted “subject to fulfillment of the requirements of the SIA and CIA and Windlectric commencing construction within 12 months of the date of the OEB's Order.”

On December 8, 2016 the OEB varied (the Vary Order) the December 10, 2015 Order by extending the construction commencement deadline to May 31, 2017. The Vary Order only provided for an extension to the construction commencement deadline and did not change any other conditions. Paragraph 1 of the Vary Order states that “All other conditions of approval from the Decision and Order remain in force.”

On June 14, 2017 the OEB issued a corrected Vary Order to correct a typographical error in the original Vary Order.

There is no ongoing OEB proceeding related to this transmission project.

In its June 29, 2017 letter in response to yours of June 27th, Windlectric confirmed that it had advised OEB staff in early June that it had commenced construction of the project by “pouring foundations at the switching station on the mainland portion of the project on or just prior to May 24, 2017, thereby meeting the Board’s condition.” The switching station is among the transmission facilities that were the subject of the application and the December 10, 2015 Decision and Order granting leave to construct.

The Decision and Order does not require Windlectric to obtain every approval that may be required for the entire transmission project before construction on a particular part of the transmission facilities is begun. Although the OEB noted in its Decision that “Windlectric is responsible for obtaining all necessary approvals, permits, licences...”, there is no condition in the Decision and Order that requires all approvals to have been

obtained before any construction begins. In addition, as discussed above, the Vary Order was limited to extending the construction commencement deadline.

The OEB's comment regarding other approvals serves to remind the applicant that the OEB's Decision and Order granting leave to construct does not relieve the applicant of any other legal obligations that may exist in respect of the construction of the transmission facilities. To the extent that other approvals are required for construction of a specific part of the transmission facilities, those approvals will be required prior to commencement of construction on that part of the overall transmission project.

The comments above are also applicable to the Hydro One project that you mentioned in your email message of July 10, 2017. Windlectric's commencement of construction is not dependent on Hydro One's completion of the Class EA process for the line tap being constructed by Hydro One to connect the Windlectric transmission facilities to the Hydro One transmission network.

The pouring of the foundations for Windlectric's switching station on or before May 24, 2017 constitutes the commencement of construction. Windlectric's commencement of construction without having all agreements, approvals and/or other items mentioned in the Decision and Order for the entire transmission project in does not contravene the OEB's Decision and Order as varied by the Vary Order.

Any questions relating to this letter should be directed to Michael Lesychyn, Case Manager at Michael.Lesychyn@oeb.ca or to James Sidlofsky, OEB Counsel at James.Sidlofsky@oeb.ca.

Sincerely,

Original signed by

Kirsten Walli
Board Secretary

- c. Jonathan Myers (Torys LLP),
Alex Tsopelas, Windlectric Inc.,
Maia Chase (IESO)