

IN THE MATTER OF the *Ontario Energy Board Act, 1998*, S.O. 1998, c.15, Schedule B; and in particular section 99, thereof;

AND IN THE MATTER OF an application by Canadian Renewable Energy Corporation for authority to expropriate interest in certain lands for the purpose of constructing electricity transmission line to connect the wind plant on Wolfe Island in the Township of Frontenac Islands, County of Frontenac, Province of Ontario.

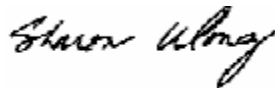
APPLICANT'S REPLY

1. These submissions are in Reply to the submissions filed with the Ontario Energy Board (the "Board") by Mr. Paul Martin by way of email on July 7, 2008 on behalf of R. Paul Martin Construction Co. Ltd. and Carylanne Martin.
2. Mr. Martin mostly reiterates concerns that he expressed orally during the Leave to Construct hearing that was held in Kingston on September 24, 2007. His concerns about the possible effect of "electro-magnetic waves" and his desire to route the transmission line through already existing utility corridors were all raised at the Leave to Construct hearing (see Transcript in EB-2007-0034 at pp. 61-62, p. 96 and pp. 101-102).
3. Mr. Martin's submissions relate to routing and compensation. As the Board ruled in Procedural Order No. 1, issues relating to routing and compensation are not issues in this expropriation proceeding because the Board has already approved the routing in the Leave to Construct proceeding, and compensation is under the jurisdiction of the Ontario Municipal Board as required by s. 100 of the *Ontario Energy Board Act, 1998*.
4. CREC requests that the Board deny Mr. Martin's request that the expropriation be limited to only 20 years. The effect of Mr. Martin's request would be to artificially limit the useful life of the Transmission Line to just 20 years, and as a result also limit the useful life of the wind plant that the Transmission Line serves. It would not be in the public interest to impose such a limit. Once the Transmission Line has been built it should be allowed to stay in place for its entire useful life in accordance with the Board's statutory

objective in s. 1(1).2 to promote economic efficiency and cost effectiveness in the transmission of electricity and to facilitate the maintenance of a financially viable electricity industry.

5. Allowing the Transmission Line to stay in place beyond 20 years would also be consistent with Ontario's 2005 Provincial Policy Statement related to land use planning and development which sets the province's policy foundation for regulating the use of land. Pursuant to the Policy Statement, the province has indicated a desire that planning authorities should support increased use of renewable energy systems such as wind energy.
6. The Transmission Line remains necessary and important throughout the operational life of the Wolfe Island Wind Plant. The expected useful life of the Wolfe Island Wind Plant is up to 40 years, and after that time the turbines could be re-powered rather than decommissioned.
7. Once CREC's 20 year energy supply agreement with the Ontario Power Authority ends, CREC may be able to renew its agreement with the OPA, or it may sell electricity generated from the Wolfe Island Wind Plant to other parties or into the provincial spot market, and the Transmission Line will continue to be useful for serving the public interest.
8. CREC therefore requests that the Board grant an order authorizing the expropriation in the terms submitted in CREC's Argument-in-Chief.

All of which is respectfully submitted,



Sharon S. Wong
Counsel for the Applicant
July 8, 2008