

September 25, 2008

Ontario Energy Board
2300 Yonge Street, Suite 2700
P.O. Box 2319
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: Board File No.: EB-2008-0003
Transmission Connection Cost Responsibility Review
Submissions of Northwatch
Further Revised Proposed Amendments to the Transmission System Code**

W+SEL is pleased to provide these comments on behalf of Northwatch on the Board's Further Revised Proposed Amendments to the Transmission System Code (the "Further Revised Proposed Amendments") as part of the above noted matter.

Northwatch submitted comments on the Ontario Energy Board's Staff Discussion Paper "Generation Connections – Transmission Connection Cost Responsibility Review" (the "Discussion Paper") on July 8, 2008, and on the Proposed Amendments on December 1, 2008. The comments below are in addition to those submissions. Northwatch supported the Hybrid Option as set out in the Board's Proposed Amendments.

COMMENTS ON FURTHER REVISED PROPOSED AMENDMENTS

IDENTIFICATION OF ENABLER FACILITIES

The Board's Further Revised Proposed Amendments suggest a process for determining Resource Clusters and Enabler Facilities. The process for identifying Resource Clusters appears to be either a) by the OPA through its FIT program identifies resource clusters through a largely applicant driven process, or b) by the Board in a yet to be determined transmission planning process which may or may not be the IPSP.

Northwatch supports the development of renewable energy clusters but is concerned that, without proper planning, clusters may create regions focused solely on energy



production. This would concentrate not only the positive effects from such clusters, such as economic benefits, but also the negative effects, such as environmental impacts. Therefore, Northwatch submits that it is imperative to ensure that an integrated planning process is in place and that it includes a cumulative impacts assessment to identify and/or anticipate resource clusters, and make a determination on the appropriateness of that clustering

The status of the OPA's IPSP remains unclear, and Northwatch is concerned that the IPSP process may be replaced by a proponent driven ad-hoc approach to identifying clusters. Further, as Northwatch has identified in other venues, the OPA did not use a regionally based approach in developing the IPSP, and did not have a community engagement program – for example, in northeastern Ontario – as part of either developing or validating its planning approach or resulting plan elements.

ENABLER SCREENING CRITERIA

The Board has proposed screening criteria for clusters identified by the OPA through applications to the FIT program. The screening are a minimum 100 MW capacity in the cluster and a minimum length of line of 100k. The minimum capacity may ensure that uneconomical clusters are not developed. The minimum line length may encourage clustering, which may reduce fragmentation and be less costly to the ratepayers.

However, any such benefits will be secondary, and Northwatch is very concerned that the proposed screening criteria are not robust enough to meet the standards of proper planning. Northwatch is unclear at what point in the planning process criteria such as social, environmental and economic impacts will be applied. While individual environmental impacts may be assessed at a project level through the Renewable Energy Approval, the cumulative impacts assessment can best happen at the planning stage.

Proper planning is required when siting and approving enabler facilities. The issues of needs and alternatives must be addressed and there must be due consideration of environmental and social factors.

INTEGRATED PLANNING

The Board must recognize the need for integrated planning and cumulative impacts assessment when designing the Transmission System Code and particularly recognize how it will take advantage of opportunities for integrated planning within the board's mandate of approving the IPSP and planning for transmission.

All processes must support integrated planning to ensure adequate consideration of social, environmental and economic impacts with minimal overlap of efforts.



All of which is respectfully submitted.

Yours truly,

A handwritten signature in blue ink, appearing to read 'Juli Abouchar'.

Juli Abouchar
Partner, W+SEL
Certified as a Specialist in Environmental Law
by the Law Society of Upper Canada

cc: Northwatch

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