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BY EMAIL AND RESS

Ms. Nancy Marconi, Registrar
Ontario Energy Board
2300 Yonge Street, 27th Floor
Toronto, ON M4P 1E4

Dear Ms. Marconi:

**Re: Electricity Transmission Leave to Construct Filing Requirements Update (DRAFT)
– Invitation to Comment, Ontario Energy Board: EB-2022-0261**

We represent PUC Transmission LP (“**PUC Transmission**”) in the above noted matter. We are writing in response to Ontario Energy Board (“**OEB**”) Staff’s letter dated November 10, 2022 inviting comments on a draft update to Chapter 4 of the OEB’s *Filing Requirements for Electricity Transmission Applications* (“**Chapter 4 Filing Requirements**”) to reflect current OEB practices or requirements. OEB Staff requested comments focussed on the accuracy and clarity of the draft update to the Chapter 4 Filing Requirements.

Overall, PUC Transmission commends the OEB’s efforts to codify current OEB practices or requirements to provide greater transparency for Applications under Section 92 of the *Ontario Energy Board Act, 1998*. We believe that the proposed Chapter 4 Filing Requirements are a significant improvement and accomplish the goal of providing greater clarity to project proponents. PUC Transmission’s comments below are intended to provide constructive feedback on an already well-drafted document.

PUC Transmission LP is a newly formed Ontario transmission company that will construct new transmission facilities in Sault Ste. Marie to connect Algoma Steel’s new Electric Arc Furnace project. PUC appreciates the opportunity to provide comments on the amendments to the Chapter 4 Filing Requirements and is pleased to provide the following comments:

- S.4.3.2.6: PUC Transmission understands from the Chapter 4 Filing Requirements that the applicant is responsible for apportioning costs between the triggering customers and Network Pool in Table 4 using the “proportional benefit” approach under 6.3.18 of the *Transmission System Code*. However, the current draft of the Chapter 4 Filing Requirements does not provide current OEB practices or requirements for apportioning costs between customers and Network Pool (the stated intention of the revisions to the Chapter 4 Filing Requirements). PUC Transmission requests that the OEB provide additional guidance on how this section relates to

s.4.3.2.9 and how it is applied by the OEB, such as factors that should be considered and guiding principles on how to apportion costs between customers and the Network Pool.

- S.4.3.2.9: This section sets out the apportionment of costs between a connecting customer and overall system for connection projects that also address a network need. The way the “proportional benefit” is assessed here appears to be quite onerous for a project proponent and may operate to discourage or hinder the recovery of valid costs from the Network Pool.
- Circumstances may arise where a transmission line goes into service as a connection asset but then subsequently becomes a network asset under the *Transmission System Code* (“TSC”). This situation does not appear to be addressed in the Chapter 4 Filing Requirements. However, we acknowledge that this issue might be more appropriately addressed in the next amendments to the TSC.
- S.4.3.2.8: Similar to the comment above, PUC Transmission request that the OEB provide guidance on the factors that should be considered and how to apportion costs between rate regulated and non-rate regulated parties.
- S.4.4.2.5: While the OEB stipulates that the cost estimate be classified in accordance with AACE, it does not indicate what class of cost estimate is acceptable for the purposes of the application.

We would like to reiterate that the changes to the Chapter 4 Filing Requirements are a significant improvement. We would also like to thank the OEB for consulting potentially affected parties before implementing the proposed changes.

We look forward to having a constructive conversation on how to address the issues raised above. Please contact the undersigned with any questions.

Yours truly,

BORDEN LADNER GERVAIS LLP



Colm Boyle

cc: Robert Brewer, PUC
Dominic Parrella, PUC