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RP-1999-0057

EB-2002-0501

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IN THE MATTER OF the *Ontario Energy Board Act, 1998*,
S.O. 1998, c.15, Schedule B;

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AND IN THE MATTER OF a joint application by Hydro
One Networks Inc., Ontario Power Generation Inc., and Bruce
Power L.P. for an exemption from subsection 2.1.1 of the
Transmission System Code.

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BEFORE:

5
Paul Sommerville
Presiding Member

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Art Birchenough
Member

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DECISION AND ORDER

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The Application

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On November 12, 2002, a joint application was submitted to the Ontario Energy Board by Hydro One Networks Inc. (“Hydro One”), Ontario Power Generation Inc. (“OPG”), and Bruce Power L.P. (“Bruce Power”), under subsection 70(2)(d) of the Ontario Energy Board Act, 1998, S.O.1998, c.15 (Sched. B) for an exemption from subsection 2.1.1 of the Transmission System Code (“TSC”). That section of the TSC requires that transmitters and customers enter into a connection agreement in the form set out in Appendix 1 of the TSC. The Board will treat the application as a request to amend the licence of Hydro One under section 74 of the Act. The applicants further requested that the Board deal with this application without holding a hearing. The Board assigned file number RP-1999-0057 / EB-2002-0501 to the application.

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At the time the application was filed, the TSC Review process, which included review of the connection agreement, was underway. The Board therefore decided that the appropriate time to consider the application was at the conclusion of Phase 1 of the TSC Review. On April 23, 2004, Hydro One, on behalf of the applicants, submitted a letter and attachments to the Board offering to

extend all relevant amendments proposed to the connection agreement to other generators who are directly connected to Hydro One's transmission system.

On May 26, 2004, the Board issued its Notice of Application and Written Hearing for the application, and Hydro One was directed to deliver a copy of this Notice to the same parties who received the Notice of Proceeding for the TSC Review. The Notice was also posted on the Board's website. On June 8, 2004, the Board issued its Policy Decision With Reasons for Phase 1 of the TSC Review and confirmed that participants could make submissions regarding the proposals contained in the application.

The Board did not receive any submissions on the application.

Board Findings

The Board agrees with the applicants that the proposed amendments to the connection agreement will better reflect both the historic circumstances and the current needs and obligations of the parties to the agreement. The proposed amendments included in Addendum 'A' of the application improve operating protocols and outage planning for the generating stations of the applicants. The proposed amendments in Addendum 'B' to the application are beneficial as they are consistent with the operational requirements of nuclear generating facilities, and facilitate compliance with Power Reactor Operating Licences. The applicants have indicated that the proposed amendments will have no impact on rates, and that if a material rate impact is anticipated, the applicants will bring the potential impact to the Board's attention.

The Board accepts the principles underpinning the proposed changes contained in Addenda 'A' and 'B' of the application. The Board will amend subsection 10.14.10 of Addendum 'B' by replacing the word "should" with the word "shall" in order to ensure compliance with the customer site security requirements.

The Board intends to review the changes proposed in Addendum 'A' for possible inclusion in the revised draft of the TSC. The applicants in this proceeding and the participants in the TSC Review will be provided an opportunity to make submissions on these changes prior to finalizing and issuing the revised Code. The Board intends to then issue a revised version of Hydro One's licence that reflects any changes to the connection agreement which is Appendix 1 of the TSC. The Board anticipates that the provisions of the amended Addendum 'B' will remain a part of the revised transmission licence of Hydro One Networks Inc.

THE BOARD THEREFORE ORDERS THAT:

1. Subsection 10.14.10 of Addendum 'B' is amended to read "Access to Equipment in the switchyard and switchyard security is the responsibility of both Parties subject to the Customer's obligation under its Power Reactor Operating Licence. Only authorized personnel are allowed unaccompanied access to the switchyard. Access codes and keys shall be registered with the Customer site security which must be kept informed of gates left unlocked on a shift by shift basis, otherwise all gates must be closed and locked at all times.

2. The Electricity Transmission Licence of Hydro One Networks Inc. is amended to add a new Schedule 3, referenced in the application as Addendum 'A', and add a new Schedule 4, referenced in the application as Addendum 'B', as amended. Section 8.3 of the licence is amended to require the licensee to make offers of connection consistent with Schedules 3 and 4. Schedule 2 of the licence is amended to exempt the licensee from subsection 2.1.1 of the TSC. The amended licence is attached [\[12ZKZ-1:1\]](#) as Appendix A.

DATED at Toronto, August 12, 2004.

ONTARIO ENERGY BOARD

Signed on behalf of the Panel

Paul Sommerville
Presiding Member

**APPENDIX A TO
DECISION AND ORDER
BOARD FILE NO. RP-1999-0057/EB-2002-0501
DATED: August 12, 2004**

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Appendix A from Board File No. RP-1999-0057/EB-2002-0501 is currently available in ERF
electronic format [[12ZKZ-1:1](#)].

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