

4. The Hydro Consumers Association

- i) "Motion to Retain Consultants Denied" (items 16, 17 and 18, pages 9 and 10)

The Hydro Consumers Association ("HCA") brought the motion to hire system reliability consultants in July, 1984, nearly two years after the plan stage hearing was completed and the decision issued. The Joint Board's plan stage decision was not appealed by the HCA nor by any other party or participant to the hearing. The Board's decision contained a "without prejudice" provision which allowed the Board an opportunity to alter its findings should new evidence become available. The motion was denied on the basis that the HCA did not provide any new evidence which either suggested or required that the Joint Board retain any consultants in order to fully understand and appreciate the significance of the issues before it.

ii) "Southwestern Ontario" (items 23 and 24, page 12)

Because of the many differences between Ontario Hydro's application in southwestern Ontario, and that in eastern Ontario, it is not appropriate to draw parallels. It should be noted that the actions of the Joint Board with respect to the giving of notice in eastern Ontario were determined by the Ontario Court of Appeal to be "fully adequate." (Re Joint Board under the Consolidated Hearings Act and Ontario Hydro et al. (1985), 51 O.R. (2d) 65.)

iii) "Issue 1: The Reliability of the Existing and Proposed Transmission System" (items 25, 26, 27, 28 and 29, pages 13 to 15)

The criteria used by Ontario Hydro for assessing the performance of the power system in eastern Ontario are the same as the criteria used elsewhere in southern Ontario, and are essentially the same as those used by all member utilities of the Northeast Power Co-ordinating Council (an association of all major power utilities in northeastern North America). The application of these criteria is relatively straightforward and the subject has been fully reviewed

by the Royal Commission on Electric Power Planning (RCEPP) and the Joint Board. This is contrary to the HCA suggestion that the question of system reliability and the need for new facilities has gone largely untested by any independent party.

The Royal Commission on Electric Power Planning employed an independent consultant and held extensive public hearings in eastern Ontario on the need for this project. Its report, which was filed as evidence at the Joint Board hearing, concluded that the reliability of supply in this area was already less (at that time, in 1979) than in other parts of the province. Since then, the load growth has continued at a level higher than the provincial average, making the need for the facilities more urgent than ever.

The Joint Board reviewed evidence on the need and reliability on three occasions throughout the hearing and each time concluded that there was a need for the facilities.

- iv) "Issue 2: Interconnection Facilities with Hydro-Quebec"
(items 30, 31, 32, 33, 34 and 35, pages 15 and 16)

In the plan stage environmental assessment, the facilities proposed by Ontario Hydro included three 500 kV lines to Ottawa and an interconnection with Hydro-Quebec in the Cornwall area. All three lines to Ottawa were required to supply customer demand in eastern Ontario to the year 2000, and the interconnection was contemplated for transfers of power and energy with Quebec. These were the two original purposes of the proposed undertaking.

Following plan stage approval, delays occurred in the Hydro-Quebec/Ontario Hydro interconnection studies and, at the same time, the Ottawa area electrical consumption started to increase faster than was forecast. This prompted Ontario Hydro to request the deletion of the interconnection portion of the undertaking so that it would not delay the urgently required transmission to Ottawa. Evidence was provided to the Joint Board at five days of public hearings in May/June 1984 (at which the HCA participated) where it was shown that all three 500 kV transmission lines in eastern Ontario would still be required with or without a new interconnection with Hydro-Quebec. Any interconnection facility would be subject to a separate approvals process.

It was shown in evidence at that hearing that the staging of the second and third transmission lines could be affected by several factors including economic and technical studies, interconnection studies and related matters. It was also shown that all three lines, regardless of their staging, will be required during the 1990's to provide reliable electrical supply to eastern Ontario. Anticipated power purchases from Hydro-Quebec over this period would not affect the need for any of the facilities included in this project.

- v) Issue 3: Approval of Facilities for the Year 1999"
(items 36, 37, 38 and 39, pages 17 and 18)

The Hydro Consumers Association argues that because of the uncertainties associated with forecasting over a 14 year period, the third transmission line should not be approved.

At this point in time, it is not possible to guarantee the in-service date of the third line because the electrical consumption may change from what is forecast. For example, in the Ottawa area the peak

electrical demand over this past winter was higher than what had been predicted by RCEPP six years ago, and has been consistently higher than forecast over the past few years. It is quite reasonable to postulate, therefore, that the third line would be required well before 1998.

Regardless of the timing or staging of the transmission facilities, the easement rights for the lines will be acquired as soon as possible after an Order-in-Council is received. This is desirable as it provides local residents with a final answer as to whether their land will or will not be required for the facilities. It would be unfair to all those possibly affected to delay the acquisition process any further. The planning process has been ongoing for many years and the people of the area ought not to be made to suffer any further uncertainty arising from further delays and deferrals in the planning and approval process.

The HCA have suggested that the approval of all three transmission lines may inhibit the development of "soft energy path" alternatives in the area. These options were examined at each phase of the hearing and the Joint

Board concluded that, at present, they are not viable alternatives to the undertaking. However both Ontario Hydro and the Joint Board have concluded that any "soft energy" path alternatives will complement the proposed transmission facilities but will not replace them to any degree. Should these alternatives become viable at some point in the future, there is no reason why they would be precluded by, or incompatible with the proposed transmission facilities.

- vi) For all of the reasons set out above, Ontario Hydro requests that the petition of the Hydro Consumers Association be denied.