

NORTHWATCH

September 14, 2006

Ms. Kirsten Walli, Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, 27th Floor
Toronto ON M4P 1E4

Dear Ms. Walli:

Re. Ontario Energy Board's Review of the Ontario Power Authority's Integrated Power System Plan and Procurement Processes

EB-2006-0207

Northwatch is a public interest organization concerned with environmental protection and social development in northeastern Ontario. Founded in 1988 to provide a representative regional voice in environmental decision-making and to address regional concerns with respect to energy, waste, mining and forestry related activities and initiatives, we have a long term and consistent interest in electricity planning in Ontario. In particular, our interests are with respect to electricity generation and transmission in northeastern Ontario, conservation and efficiency measures, and rates and rate structures. Northwatch is a coalition of community and district based environmental, social justice and social development organizations.

The purpose of this letter is to identify Northwatch's interest in the consultation process that the Ontario Energy Board will use to solicit input in relation to the Board's approach to the review of the Ontario Power Authority (OPA)'s Integrated Power System Plan (IPSP) and procurement process and related filing guidelines, and our intention to participate. We will also be seeking cost awards related to our participation.

Northwatch will be represented by myself, Ms. Brennain Lloyd, coordinator for Northwatch. Our courier address is 1450 Ski Club Road, North Bay, Ontario, P1B 8H2; mailing address is Box 282, North Bay, P1B 8H2. Our business phone is 705 497 0373, facsimile is 705 476 7060, email is northwatch@onlink.net, and web site is www.northwatch.org

Grounds for Northwatch Eligibility

The Ontario Energy Board's "Practice Direction on Cost Awards". Section 3 describes cost eligibility, and Section 4 describes the cost eligibility process.

- 3.03 A party in a Board process is eligible to apply for a cost award where the party:*
- (a) primarily represents the direct interests of consumers (e.g. ratepayers) in relation regulated services;*
 - (b) primarily represents a public interest relevant to the Board's mandate; or*
 - (c) is a person with an interest in land that is affected by the process.*

Northwatch meets all three of the eligibility criteria, but as a public interest organization, our primary purpose - and our primary contribution to the stakeholder review process - is with respect to (b).

Northwatch's interest is with respect to the lands, waters and airshed of northeastern Ontario, all of which will be affected or potentially affected by the Ontario Power Authority Integrated Power System Plan (IPSP) outcomes.

Northwatch's primary purpose is to represent the public interest with respect to environmental protection and resource management matters in northeastern Ontario. However, as a coalition of interests which includes those represented by social organizations, Northwatch also has an interest and a relevant perspective with respect to consumer concerns, many of which are unique in northeastern Ontario, relative to a provincial or more urban context (ie. criteria a). Northwatch represents the interests of the environment, and of the residents of northeastern Ontario who identify and express environmental concerns; it is within the mandate of the Ontario Energy Board to consider such matters as the effect on the environment (ie criteria b). Further, our members have an interest in the land that is or may be affected by the process (ie criteria c). That interest may in some cases be a private interest, but in every case is also a public interest.

Northwatch certainly meets the eligibility criteria, and will make a unique and beneficial contribution to the Ontario Energy Board review of the Ontario Power Authority's Integrated Power System Plan and Procurement Processes

Description of Northwatch

Northwatch is a public interest organization concerned with environmental protection and social development in northeastern Ontario. Founded in 1988 to provide a representative regional voice in environmental decision-making and to address regional concerns with respect to energy, waste, mining and forestry related concerns, we have a long term consistent interest in electricity planning in Ontario. In particular, our interests are with respect to electricity generation and transmission in northeastern Ontario, conservation and efficiency measures, and rates and rate structures. Northwatch is a coalition of community and district based environmental, social justice and social development organizations.

Northwatch was a full time intervener in the Environmental Assessment of Ontario Hydro's Demand Supply Plan, and intervened in Ontario Energy Board reviews HR-22 and HR-23 with respect to electricity matters. The Northwatch Intervention Coalition included both Northwatch member groups in northeastern Ontario and three community based organizations in northwestern Ontario and one provincial organization.

More recently, Northwatch responded to the Ontario Power Authority Invitation to Comment on Ontario's Electricity Supply Mix with a submission in August 2005, and have engaged with the Minister and Ministry of Energy with respect to various aspects of electricity supply planning. We are also on the OPA consultation lists, and are subscribers to the webcast OPA consultations.

Northwatch's membership base and area of interest is the land mass north of the French River, comprised of the districts of Nipissing, Sudbury, Algoma, Manitoulin, Cochrane and Timiskaming, and including the land area north of the road system, generally known as the Hudson's Bay lowlands.

How Northwatch is or may be Affected by the Ontario Power Authority IPSP and related Ontario Energy Board decisions

The residents and regions of northeastern Ontario will or may be affected by the IPSP and related outcomes through environmental and social impacts related to:

- ? expanded transmission systems to support electricity imports, eg from Manitoba
- ? expanded hydraulic generation of electricity in northeastern Ontario
- ? expanded production at the Blind River uranium refinery related to a nuclear expansion or extension of the operating life of nuclear generating stations
- ? potential transfer of used nuclear fuel waste to a facility located in northeastern Ontario, related to a nuclear expansion or extension of the operating life of nuclear generating stations
- ? increased electricity use - and attendant environmental impacts of generation and transmission - due to lost opportunities for replacing existing and future demand through conservation measures
- ? lost opportunities for renewable electricity projects in northeastern Ontario due to transmission limitations
- ? impacts of supply choices on rates and the rate structure for both direct and indirect customers

Existing Sources of Funding

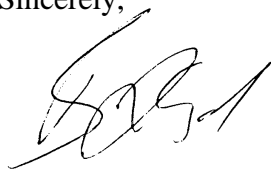
Northwatch's core funding comes from memberships and donations, which are under \$5000 per year, on average. Other project-specific funding is provided by a small number of charitable foundations. The funding is dedicated to Northwatch's Forest Project, which supports public participation in forest management planning throughout northeastern Ontario.

Efforts Taken to Join with Other Groups

Northwatch communicates regularly with other stakeholder groups on electricity related matters. Northwatch's experience and perspective is unique to northeastern Ontario, and as such would not be served by joining with other groups for this exercise. Northwatch will continue to communicate with other stakeholders and combine efforts where possible in order to bring efficiencies to the Ontario Energy Board review of the Ontario Power Authority's IPSP.

Thank you for your consideration. We look forward to a positive response to this expression of interest, and to participating in the OEB review of the OPA IPSP and procurement policies.

Sincerely,



Brennain Lloyd
Northwatch

Cc. Miriam Heinz Regulatory Affairs Coordinator Ontario Power Authority