

power generated from both the Solar Project and the Wind Project to the Independent Electricity System Operator ("IESO")-controlled grid.

- 10) While the Proposed Facility will be used to transmit the electricity generated from both the Wind Project and the Solar Project to the IESO-controlled grid, any electricity generated by the Solar Project will be transmitted for a price that is no greater than that required to recover all reasonable costs. In transmitting the electricity generated from the Solar Project, the Applicant therefore relies on section 4.0.2(1)(d) of Ontario Regulation 161/99, *Definitions and Exemptions* made pursuant to the OEB Act, to be exempt from the requirement to obtain a transmitter licence under section 57(b) of the OEB Act.
- 11) The Project is being developed to further the provincial government's policy objective to increase the amount of renewable energy generation being added to the province's energy supply mix. The Ontario government's policy regarding renewable energy is outlined in the *Green Energy and Green Economy Act, 2009*, S.O. 2009, c. 12, which act amended key pieces of legislation to promote the use and generation of electricity from renewable energy sources, including the OEB Act. In particular, the Project will contribute a total of 253.1 MW of clean, renewable energy to the provincial electricity grid, and forms part of the Applicant's commitment, in conjunction with its affiliates, to develop 2500 MW of renewable energy in Ontario over the next five years.
- 12) The Applicant, via SRE, is in the process of completing a system impact assessment ("SIA") with the IESO. The draft SIA is expected to be delivered on or about March 23, 2011. The SIA will be filed with the Board upon completion by the IESO. A customer impact assessment ("CIA") is currently being completed by Hydro One Networks Inc. ("**Hydro One**") in order to assess the impact of the Project on the reliability of service for other transmission customers and will be filed with the Board as soon as it is completed. The Applicant will adhere to the requirements of the CIA and SIA in constructing the Proposed Facility.
- 13) In order to construct the Proposed Facility, the Applicant requires certain rights over both privately-held and publicly-held lands. In particular, SRE ~~has entered into two Ground Leases and~~ is seeking to enter into ~~a third~~ Ground ~~Lease~~Leases with the three affected private landowners (the "**Landowners**") in order to obtain the rights to construct the two Transition Stations and the Interconnection Station, respectively. Option agreements are also being sought with the Ontario Realty Corporation ("**ORC**") in order to acquire rights to lands held by the Ministry of Infrastructure, to which the ORC acts as land manager to build the Collector Substation and a portion (~5% of the linear length) of the Transmission Line. The Ground Leases and the ORC option agreements will be assigned to the Applicant prior to the start of construction of the Proposed Facility. The Landowners and the ORC are

LAND MATTERS

- 36) The Proposed Facility will be developed across three distinct types of land, being 3 parcels of privately owned land, the MOI Lands and the Haldimand ROW (owned by Haldimand County). Approximately 95% of the Transmission Corridor will be composed of the Haldimand ROW. Another 3% of the Transmission Corridor will be the land that is privately held by the Landowners, while the remaining 2% of the Transmission Corridor will be MOI Lands. Apart from the Landowners, no landowner will be directly affected by the Proposed Facility, this due primarily to the fact that 95% of the Transmission Corridor is along the Haldimand ROW.
- 37) The Applicant has not finalized a detailed list of crossings as the routing for the Transmission Line has recently been finalized. A preliminary list of consents required for temporary crossings includes consents from Haldimand County, Haldimand County Hydro Inc., several communications providers, Ministry of Transportation and a possible gas line and possible rail crossing. The Applicant will work to obtain all necessary temporary crossings prior to construction and will update the evidence accordingly.

Land acquisition process – Private Landowners

- 38) SRE, on behalf of the Applicant and Solar LP, has acquired rights to over 18,000 acres of privately-owned lands required for both the GREP.
- 39) During the consultations with the community, and in particular the landowners surrounding the Project, the Proposed Facility was discussed at length with regard to land use and visual impacts. Construction timelines were also discussed. In particular, the landowners with property adjacent the Haldimand ROW were delivered Notice of Commencements as per the requirements in the REA Regulation.
- 40) The community was also invited to a public meeting at which time the Applicant presented details on the Proposed Facility and was available to answer questions from the audience. The Applicant continues to meet individually with members of the community to listen to, and address, any concerns that may arise.
- 41) SRE, on behalf of the Applicant, ~~has entered into two Ground Leases and~~ is seeking to enter into ~~a third~~ Ground ~~Lease~~Leases with the three Landowners in order to obtain the rights to construct the two Transition Stations and the Interconnection Station, respectively. The form of Ground Lease is found at Exhibit B-3-2. The Ground Lease provides the lessee with the unobstructed and exclusive right to use the leased lands for the purposes of the erection, installation, re-installation, construction, operation, maintenance, inspection, relocation, etc. of all equipment associated with the Wind Project, including but not limited

to the overhead and underground electricity or distribution lines or cabling and transformer boxes, any related equipment, maintenance buildings, substations, maintenance yards, construction laydown areas, site offices and access roads.

- 42) The Ground Leases will be assigned by SRE to the Applicant prior to the start of construction of the Proposed Facility. The Landowners are aware of the relationship between SRE and the Applicant and do not object to the assignment of the Ground Leases from SRE to the Applicant. The lessee has the right to assign the Ground Lease and does not require the consent of the lessor written or otherwise to assign the Ground Lease.
- 43) The municipal addresses of the privately held land parcels are below (please note that the names of the property owners have been removed for their sake of privacy):

<u>Landowner</u>	<u>Municipal Address</u>	<u>Requirement/Status</u>
Landowner A (Parcel 1)	1138 Haldimand Road 20 (Conc 8 Lot 3, Geo Twp of Rainham)	Transition Station Lease Under executed negotiation
Landowner B (Parcel 2)	Conc 9 Pt Lot 1, Pt Lot 2, Geo Twp of Rainham (no municipal address)	Transition Station Lease executed Under negotiation
Landowner C (Parcel 3)	352 1st Line (Conc. 1 Lots 13 to 16, Geo Twp of Oneida)	Interconnection Station Under negotiation

MOI Lands

- 44) A portion the Transmission Line and the Collector Substation will be built on MOI Lands (such particular parcel of MOI Lands referred to as the "**ORC Land**"), being:
- SCAY CON 4 PT LOTS 29 30 TWN CAYUGA
- 45) A license agreement (the "**Licence Agreement**") has been executed between SRE and the Ministry of Infrastructure with respect to the ORC Land. The License Agreement provides the Applicant with the right to conduct due diligence activities on the ORC Land for the purposes of design and permitting of the Proposed Facility and with an option to enter into a