

**Ontario Energy Board**  
**Preliminary Filing Requirements**  
**For a Notice of Proposal under Sections 80 and 81**  
**Of the *Ontario Energy Board Act*, 1998**

**INSTRUCTIONS:**

This form applies to all applicants who are providing a Notice of Proposal to the Ontario Energy Board (the "Board") under sections 80 and 81 of the *Ontario Energy Board Act*, 1998 (the "Act"), including parties who are also, as part of the same transaction or project, applying for other orders of the Board such as orders under sections 86 and 92 of the Act.

The Board has established this form under section 13 of the Act. Please note that the Board may require information that is additional or supplementary to the information filed in this form and that the filing of the form does not preclude the applicant from filing additional or supplementary information.

**PART I: GENERAL MINIMUM FILING REQUIREMENTS**

All applicants must complete and file the information requested in Part I.

**1.1 Identification of the Parties**

**1.1.1 Applicant**

Name of Applicant PUC Services Inc.	File No: (Board Use Only)	
Address of Head Office  765 Queen Street East P.O. Box 9000 Sault Ste. Marie, Ontario P6A 6P2	Telephone Number  (705) 759-6500	
	Facsimile Number  (705) 759-6596	
	E-mail Address	
Name of Individual to Contact  H. J. Brian Curran President & C.E.O.  765 Queen Street East, P.O. Box 9000 Sault Ste. Marie, Ontario P6A 6P2	Telephone Number  (705) 759-6538	
	Facsimile Number  (705) 759-6596	
	E-mail Address  brian.curran@ssmpuc.com	

### 1.1.2 Other Parties to the Transaction or Project

*If more than one attach list*

Name of Other Party	Board Use Only	
Address of Head Office	Telephone Number	
	Facsimile Number	
	E-mail Address	
Name of Individual to Contact	Telephone Number	
	Facsimile Number	
	E-mail Address	

### 1.2 Relationship between Parties to the Transaction or Project

1.2.1	Attach a list of the officers, directors and shareholders of each of the parties to the proposed transaction or project.  <b><u>Party:</u></b> PUC Services Inc. <b><u>Officers:</u></b> H. J. Brian Curran, President & CEO Terry Greco, Treasurer Claudio Stefano, Secretary <b><u>Director:</u></b> L. A. Guerriero, Chair <b><u>Shareholder:</u></b> The Corporation of the City of Sault Ste. Marie.	
1.2.2	Attach a corporate chart describing the relationship between each of the parties to the proposed transaction or project and each of their respective affiliates.  <b>See Schedule 1.2.2</b>	

### 1.3 Description of the Businesses of Each of the Parties

1.3.1	<p>Attach a description of the business of each of the parties to the proposed transaction or project, including each of their affiliates licenced under the OEB Act to operate in Ontario for the generation, transmission, distribution, wholesaling or retailing of electricity or providing goods and services to companies licenced under the OEB Act in Ontario ("Electricity Sector Affiliates").</p> <p><b><u>PUC Inc.</u></b> – is wholly owned by the City of Sault Ste. Marie. PUC Inc. is a holding company which owns 100% of each of two subsidiaries; namely, PUC Distribution Inc. and PUC Telecom Inc.</p> <p><b><u>PUC Services Inc.</u></b> – is wholly owned by the City of Sault Ste. Marie. It is a utility services company with 166 full-time employees as of Dec. 31, 2010. The company has long term contracts with two affiliate companies (PUC Distribution Inc., and PUC Telecom Inc.) to provide them with management, operating, maintenance and administrative services. It also has a long term contract for the provision of services with the Public Utilities Commission for the water treatment and water distribution systems in Sault Ste. Marie. The company also provides general management and customer care services to Espanola Regional Hydro Distribution Corporation and provides services in the water sector to several communities and organizations.</p> <p><b><u>PUC Distribution Inc.</u></b> – is wholly owned by PUC Inc. It owns the assets associated with the distribution of electrical power within the geographic territory described in its Electricity Distribution Licence ED-2002-0546.</p> <p><b><u>PUC Telecom Inc.</u></b> – is wholly owned by PUC Inc. PUC Telecom provides high speed broadband service to organizations within Sault Ste. Marie and surrounding area. The company has a joint venture agreement with Ontera, a fully integrated telecommunications company headquartered in northern Ontario</p>	
1.3.2	<p>Attach a description of the geographic territory served by each of the parties to the proposed transaction or project, including each of their Electricity Sector Affiliates, if applicable, and the geographic location of all existing generation facilities.</p> <p>The generation project is within the distribution service territory of PUC Distribution Inc. and specifically within the City of Sault Ste. Marie. PUC Distribution Inc. does not own any generation assets. PUC Services owns a 5.28 kW (DC) rooftop photovoltaic generating facility at 391 Second Line West, Sault Ste. Marie. The facility has a 20 year contract with the Ontario Power Authority under the MicroFIT program. The power plant was commissioned June 7, 2010. A 137 kW (DC) photovoltaic project is nearing completion and is expected to be connected to the grid in early June 2011. It will also have a 20 year contract with the OPA under the FIT program.</p>	
1.3.3	<p>Attach a breakdown of the annual sales (in C\$, and in MWh) as of the most recent fiscal year end of the existing generation output among the IESO Administered Markets ("IAM"), bilateral contracts and local distribution companies.</p> <p>The 5.28 kW plant was commissioned June 7, 2010 and generated 3.042 MWh and revenues of \$2,440 up to December 31, 2010.</p>	
1.3.4	<p>Attach a list identifying all relevant Board licences and approvals held by the parties to the proposed transaction or project and each of their Electricity Sector Affiliates, and any applications currently before the Board, or forthcoming. Please include all Board file numbers.</p> <p>PUC Distribution Inc. holds Electricity Distribution Licence ED-2002-0546.</p> <p>The Applicant is exempt from requiring a Generation Licence as the solar generation project does not meet the 500 kW threshold for licencing.</p>	

#### 1.4 Current Competitive Characteristics of the Market

1.4.1	Describe the generation capacity (in MW), within the Province of Ontario, of the parties to the proposed transaction or project, including each of their respective Electricity Sector Affiliates, prior to the completion of the proposed transaction or project.  <b>The total generating capacity of PUC Services currently is 0.00528 MW.</b>	
1.4.2	Describe the generation market share based on actual MWh production as a percent of the Annual Primary Demand, within the Province of Ontario, of the parties to the proposed transaction or project, including each of their respective Electricity Sector Affiliates, prior to completion of the proposed transaction or project.  <b>The share of production of the existing generation is insignificant in comparison with annual provincial primary demand.</b>	

#### 1.5 Description of the Proposed Transaction or Project and Impact on Competition – General

1.5.1	Attach a detailed description of the proposed transaction or project, including geographic locations of proposed new transmission or distribution systems, or new generation facilities.  <b>The project involves a 159.3 kW (DC) array of solar panels on the roof of a recreational facility owned by Algoma University located within the City of Sault Ste. Marie. The Applicant has received approval of its application for a contract from the OPA under the FIT program.</b>	
1.5.2	Describe the generation capacity (in MW), within the Province of Ontario, of the parties to the proposed transaction or project, including each of their respective Electricity Sector Affiliates, after the completion of the proposed transaction or project.  <b>After completion of the project, the Applicant will have 302 kW (DC) of generation capacity in the Province.</b>	
1.5.3	Describe the generation market share based on anticipated MWh production as a percentage of the Annual Primary Demand, within the Province of Ontario, of the parties to the proposed transaction or project, including each of their respective Electricity Sector Affiliates, after the completion of the proposed transaction or project.  <b>After commercial operation, it is anticipated that PUC Services will produce a total 340.32 MWh of generation per year. In its 2010-2012 Business Plan, the IESO estimated projected generation energy volume in 2009 to be 149.4 (TWh). The 340.32 MWh per year produced by PUC Services represents an insignificant fraction of provincial generation capacity.</b>	
1.5.4	Attach a short description of the impact, if any, of the proposed transaction or project on competition. If there will be no impact on competition, please state the reasons. Cite specifically the impacts of the proposal on customer choice regarding generation, energy wholesalers, and energy retailers.  <b>The proposed project will have no impact on competition. Projects are selected by the OPA as part of a competitive process of the FIT program. The FIT program is available to all those who wish to participate in what is a standard type procurement process. The OPA evaluates proposed projects using criteria, including the ability to connect the project to the system.</b>	

1.5.5	<p>Provide confirmation that the proposed transaction or project will have no impact on open access to the transmission or distribution system of the parties or their affiliates. If open access will be affected explain how and why.</p> <p><b>There will be no impact on open access to the Affiliate's distribution system. In granting a FIT contract, the OPA takes into consideration available system capacity.</b></p>	
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## 1.6 Other Information

1.6.1	<p>Attach confirmation that the parties to the proposed transaction or project are in compliance with all licence and code requirements, and will continue to be in compliance after completion of the proposed transaction or project.</p> <p><b>The Applicant is not currently licensed and based on its current generation activities is not currently subject to code requirements. Based on the size of the solar project, the Applicant is not required to be licensed. The Applicant is and will continue to be in compliance with any code requirements.</b></p>	
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## PART II: SECTION 80 OF THE ACT—TRANSMITTERS AND DISTRIBUTORS ACQUIRING AN INTEREST IN GENERATORS OR CONSTRUCTING A GENERATION FACILITY

All applicants filing a Notice of Proposal under section 80 of the Act must complete and file the information requested in Part II.

### 2.1 Effect on Competition

2.1.2	<p>Describe whether the proposed generation output will be primarily offered into the IAM, sold via bilateral contracts, or for own use.</p> <p><b>The generation output connects to the distribution grid and sold pursuant to a standard FIT contract.</b></p>	
2.1.3	<p>Provide a description of the generation including fuel source, technology used, maximum capacity output, typical number of hours of operation in a year, and peaking versus base-load character.</p> <p><b>The generation is from photovoltaic cells. The maximum capacity output is 159.3 kW (DC) or 129.3 kW (AC). It is estimated that generation output will be 178.6 megawatt hours in any typical year. The generation will be base load in nature as opposed to peaking. The number of hours of operation is dependent on the number of sunlight hours.</b></p>	
2.1.4	<p>Provide details on whether the generation facility is expected to sign a "must run" contract with the IESO.</p> <p><b>This is not applicable to this project.</b></p>	
2.1.5	<p>Provide details of whether the generation facility is expected to serve a "load pocket", or is likely to be "constrained on" due to transmission constraints.</p> <p><b>This is not applicable to this project.</b></p>	

### 2.2 System Reliability

Section 2.2 must be completed by applicants who are claiming that the proposed transaction or project is required for system reliability under section 82(2)(b) of the Act.

2.2.1	Provide reasons why the proposal is required to maintain the reliability of the transmission or distribution system. Provide supporting studies.  <b>Not applicable.</b>	
2.2.2	Discuss the effect of the proposal on the adequacy (ability of supply to meet demand) of supply in the relevant control area or distribution region, citing effects on capacity plus reserve levels in comparison to load forecasts.  <b>Not applicable.</b>	
2.2.3	Discuss the effect of the proposal on the security (ability of supply to respond to system contingencies) of supply.  <b>Not applicable.</b>	
2.2.4	Provide a copy of the IESO Preliminary System Impact Assessment Report, if completed, and the IESO Final System Impact Assessment Report, if completed. If the IESO is not conducting a System Impact Assessment Report, please explain.  <b>Not applicable.</b>	

### **PART III: SECTION 81 OF THE ACT—GENERATORS ACQUIRING AN INTEREST IN OR CONSTRUCTING A TRANSMISSION OR DISTRIBUTION SYSTEM**

All applicants filing a Notice of Proposal under section 81 of the Act must complete and file the information requested in Part III.

#### **3.1 Effect on Competition**

3.1.1	Provide a description of the transmission or distribution system being acquired or constructed.  <b>Not applicable.</b>	
3.1.2	Provide details on whether the generation facilities owned by the acquiring company are or will be directly connected to the transmission or distribution system being acquired or constructed.  <b>Not applicable.</b>	
3.1.3	Provide details of whether the generation facility is expected to serve a “load pocket”, or is likely to be “constrained on” due to transmission constraints.  <b>Not applicable.</b>	
3.1.4	Provide details on whether the generation facilities are expected to sign a “must run” contract with the IESO.  <b>Not applicable.</b>	

## **How to Contact the Ontario Energy Board**

The Ontario Energy Board is located at:

P.O. Box 2319  
2300 Yonge Street, Suite 2701  
Toronto, Ontario  
M4P 1E4

Telephone:	416-481-1967
Toll Free Number:	1-888-632-6273
Fax:	416-440-7656
Website:	<a href="http://www.oeb.gov.on.ca">http://www.oeb.gov.on.ca</a>
Board Secretary's e-mail address:	<a href="mailto:boardsec@oeb.gov.on.ca">boardsec@oeb.gov.on.ca</a>

## SCHEDULE 1.2.2

