



EB-2011-0333
EB-2011-0336

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

AND IN THE MATTER OF applications by Starwood
SSM1 Canada, L.P. and Starwood SSM2 Canada,
L.P. for a standard offer program electricity generation
licences.

By delegation, before: Jennifer Lea

INTERIM DECISION AND ORDER

Starwood SSM1 Canada, L.P. and Starwood SSM2 Canada, L.P. filed applications on September 1, 2011 with the Ontario Energy Board under section 60 of the *Ontario Energy Board Act, 1998* (the "Act") for standard offer program electricity generation licences. The Board assigned file numbers EB-2011-0333 and EB-2011-0336 to each application respectively, however the applications have been combined into one proceeding.

The applicants have advised that due to a transfer of the generation assets taking place on September 30, 2011 they will own the generation assets listed in their applications and will be engaging in the generation of electricity. As prescribed under section 57 of the Act, all entities generating electricity in the Ontario electricity market are required to hold a licence. The applicants requested interim licences until final determination is made on the current licence applications.

Considering the time required to process an application in accordance with the Board's established practice and procedures, and considering the applicants' activities, it has been found to be in the public interest to issue an interim order under sections 21(4)(b)

and 21(7) of the Act granting short-term standard offer program electricity generation licences to the applicants pending final disposition of the applications.

The applicants should note that no final decision on the applications has been made and that the granting of this interim order is not an indication that longer term licences will be granted.

IT IS THEREFORE ORDERED THAT:

1. Standard offer program electricity generation licences are granted to Starwood SSM1 Canada, L.P. and to Starwood SSM2 Canada, L.P. on such conditions as are contained in the attached licences.
2. The licences will be valid for a period of 3 months from the date of this interim decision and order or until the Board makes a final decision on the standard offer program electricity generation licence applications, whichever is earlier.

DATED at Toronto, September 29, 2011

ONTARIO ENERGY BOARD

Original signed by

Jennifer Lea
Counsel, Special Projects



Electricity Generation Licence

EG-2011-0333

Starwood SSM1 Canada, L.P.

Valid Until

December 28, 2011

Original Signed By

Jennifer Lea
Counsel, Special Projects
Ontario Energy Board
Date of Issuance: September 29, 2011

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

Commission de l'énergie de l'Ontario
C.P. 2319
2300, rue Yonge
27e étage
Toronto ON M4P 1E4

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1 Definitions

In this Licence:

“**Act**” means the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

“**Electricity Act**” means the *Electricity Act, 1998*, S.O. 1998, c. 15, Schedule A;

“**generation facility**” means a facility for generating electricity or providing ancillary services, other than ancillary services provided by a transmitter or distributor through the operation of a transmission or distribution system and includes any structures, equipment or other things used for that purpose;

“**Licensee**” means Starwood SSM1 Canada, L.P.;

“**regulation**” means a regulation made under the Act or the Electricity Act;

2 Interpretation

- 2.1 In this Licence words and phrases shall have the meaning ascribed to them in the Act or the Electricity Act. Words or phrases importing the singular shall include the plural and vice versa. Headings are for convenience only and shall not affect the interpretation of this Licence. Any reference to a document or a provision of a document includes an amendment or supplement to, or a replacement of, that document or that provision of that document. In the computation of time under this Licence where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens. Where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

3 Authorization

- 3.1 The Licensee is authorized, under Part V of the Act and subject to the terms and conditions set out in this licence:
- a) to generate electricity or provide ancillary services for sale through the IESO-administered markets or directly to another person subject to the conditions set out in this Licence. This Licence authorizes the Licensee only in respect of those facilities set out in Schedule 1;
 - b) to purchase electricity or ancillary services in the IESO-administered markets or directly from a generator subject to the conditions set out in this Licence; and
 - c) to sell electricity or ancillary services through the IESO-administered markets or directly to another person, other than a consumer, subject to the conditions set out in this Licence.

4 Obligation to Comply with Legislation, Regulations and Market Rules

- 4.1 The Licensee shall comply with all applicable provisions of the Act and the Electricity Act, and regulations under these acts, except where the Licensee has been exempted from such compliance by regulation.
- 4.2 The Licensee shall comply with all applicable Market Rules.

5 Obligation to Maintain System Integrity

- 5.1 Where the IESO has identified, pursuant to the conditions of its licence and the Market Rules, that it is necessary for purposes of maintaining the reliability and security of the IESO-controlled grid, for the Licensee to provide energy or ancillary services, the IESO may require the Licensee to enter into an agreement for the supply of energy or such services.
- 5.2 Where an agreement is entered into in accordance with paragraph 5.1, it shall comply with the applicable provisions of the Market Rules or such other conditions as the Board may consider reasonable. The agreement shall be subject to approval by the Board prior to its implementation. Unresolved disputes relating to the terms of the Agreement, the interpretation of the Agreement, or amendment of the Agreement, may be determined by the Board.

6 Restrictions on Certain Business Activities

- 6.1 Neither the Licensee, nor an affiliate of the Licensee shall acquire an interest in a transmission or distribution system in Ontario, construct a transmission or distribution system in Ontario or purchase shares of a corporation that owns a transmission or distribution system in Ontario except in accordance with section 81 of the Act.

7 Provision of Information to the Board

- 7.1 The Licensee shall maintain records of and provide, in the manner and form determined by the Board, such information as the Board may require from time to time.
- 7.2 Without limiting the generality of paragraph 7.1 the Licensee shall notify the Board of any material change in circumstances that adversely affects or is likely to adversely affect the business, operations or assets of the Licensee, as soon as practicable, but in any event no more than twenty (20) days past the date upon which such change occurs.

8 Term of Licence

- 8.1 This Licence shall take effect on September 29, 2011 and expire on December 28, 2011. The term of this Licence may be extended by the Board.

9 Fees and Assessments

- 9.1 The Licensee shall pay all fees charged and amounts assessed by the Board.

10 Communication

- 10.1 The Licensee shall designate a person that will act as a primary contact with the Board on matters related to this Licence. The Licensee shall notify the Board promptly should the contact details change.
- 10.2 All official communication relating to this Licence shall be in writing.
- 10.3 All written communication is to be regarded as having been given by the sender and received by the addressee:
- a) when delivered in person to the addressee by hand, by registered mail or by courier;
 - b) ten (10) business days after the date of posting if the communication is sent by regular mail; or
 - c) when received by facsimile transmission by the addressee, according to the sender's transmission report.

11 Copies of the Licence

- 11.1 The Licensee shall:
- a) make a copy of this Licence available for inspection by members of the public at its head office and regional offices during normal business hours; and
 - b) provide a copy of this Licence to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

SCHEDULE 1 LIST OF LICENSED GENERATION FACILITIES

The Licence authorizes the Licensee only in respect to the following:

1. SSM1 Baseline, owned and operated by the Licensee at 915 Base Line Road, Sault Ste. Marie, Ontario.
2. SSM1 Carpin Beach, owned and operated by the Licensee at 751/500 Carpin Beach Road, Sault Ste. Marie, Ontario.



Electricity Generation Licence

EG-2011-0336

Starwood SSM2 Canada, L.P.

Valid Until

December 28, 2011

Original Signed By

Jennifer Lea
Counsel, Special Projects
Ontario Energy Board
Date of Issuance: September 29, 2011

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

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- a) to generate electricity or provide ancillary services for sale through the IESO-administered markets or directly to another person subject to the conditions set out in this Licence. This Licence authorizes the Licensee only in respect of those facilities set out in Schedule 1;
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SCHEDULE 1 LIST OF LICENSED GENERATION FACILITIES

The Licence authorizes the Licensee only in respect to the following:

1. PGG003, PGG004 and PGG005 owned and operated by the licensee at 860 Black Road, Sault Ste. Marie, Ontario.