

CB-2011-0366


RECEIVED

OKIKENDAWT HYDRO L.P.

OCT 18 2011

ONTARIO ENERGY BD

October 17th, 2011


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

Object : Application for Electricity Generation License
Okikendawt Hydro L.P.

Dear Sir / Madam,

Please find attached our application package for an Electricity Generation License for the Okikendawt Hydroelectric Project.

Along with our applications for Electricity Generation License, you will find enclosed a Notice as per Section 81 of the *OEB Act* related to the construction of a 44 kV distribution line. The details of this line can be found on the plans attached. The line will be built on Crown Land, with the exception of a small portion located on private lands, for which we already have authorizations to build on.

No other party will be connecting to this line, which will be privately owned and used solely to convey electricity from the powerhouses to the existing distribution system in Golden Valley (Hydro One Networks Inc.). As such, the construction of these new lines will have no impacts on the competition and the market. Nonetheless, we have decided to file this Notice as was suggested to us by representatives of the OEB.

Please feel free to contact me should you require additional information.

Best regards,



Daniel Gillenwater, Hydromega Services Inc.

For Hydromega Dokis G.P.
acting on behalf of Okikendawt Hydro L.P.

Encl.



Application for an Electricity Generation Licence Feed-in Tariff Program

Application Instructions

1. Application Requirement

Before applying for a licence the applicant must have entered into a contract with the Ontario Power Authority under the Feed-in Tariff program and have received from the Ontario Power Authority a Notice to Proceed for the generation facility/facilities covered by this application.

You must attach a copy of the Notice to Proceed to your completed application form. Without a copy of the Notice to Proceed your application will be deemed incomplete.

2. Purpose of this Form

This form is to be used to apply for a licence that would enable the applicant to generate electricity for sale under the Feed-in Tariff Program.

Note: MicroFit Program generators and Feed-in Tariff Program generators with gross nameplate capacity of 500 kilowatts or less are exempt from the need to obtain a generation licence.

3. Completion Instructions

This form is in a writeable PDF format. The applicant must either:

- type answers to all questions, print two copies and sign both copies; or
- print a copy of the form, clearly print answers to all questions, make a copy and sign both copies.

Please send two signed copies of the completed form and attachments to:

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

If you have any questions on completing this application, please contact the Market Operations Hotline at 416-440-7604 or 1-888-632-6273 or e-mail at market.operations@ontarioenergyboard.ca.

The Board may require information that is additional or supplementary to the information required by this form. If the submitted application is incomplete, it may be returned by the Board or there may be a delay in processing the application.

4. Application and Registration Fees

A non-refundable application fee is required to process your application. Please enclose a cheque or money order made payable to the ONTARIO ENERGY BOARD. The amount of the application fee is indicated on the "Apply for a Licence" page of the "Licences" section of the Board's website at www.ontarioenergyboard.ca.

If a licence is issued, the licensee may be required to pay an annual registration fee. The annual registration fee criteria can be found on the "Apply for a Licence" page of the "Licences" section of the Board's website at www.ontarioenergyboard.ca.

5. Public Record

All information filed as part of or in support of this application will be placed on the public record. Where the applicant objects to public disclosure of information contained in the application, the applicant must follow the procedure set out in the Board's Practice Direction on Confidential Filings.

6. Important Information

The applicant must make a copy of the application available to any person who requests a copy of the application.

As a licensed electricity generator, the licensee may be subject to additional obligations as required by a distributor, a transmitter, the Independent Electricity System Operator, the Ontario Power Authority, or the Ontario Energy Board.

Ontario Energy
Board
P.O. Box 2319
2300 Yonge Street
27th Floor
Toronto ON M4P 1E4
Telephone: 1-888-632-6273
Facsimile: (416) 440-7656

Commission de l'énergie
l'Ontario
C.P. 2319
2300, rue Yonge
27^e étage
Toronto ON M4P 1E4
Téléphone: 1-888-632-6273
Télécopieur: (416) 440-7656



Application for an Electricity Generation Licence Feed-in Tariff Program

For Office Use Only	
Application Number	EB - 2011-0366
Date Received	Oct. 18/11

1. Name to Appear on Licence

Legal name of the Applicant Okikendawt Hydro L.P.

Name to Appear on Licence: _____

☒ Indicate if same as above

Please note that if the name to appear on the licence is not the same as the legal name, the name on the licence must include the legal name of the applicant and the legal name must appear first. The "Name to Appear on Licence" will appear on the notice of application and on the licence.

2. Feed-in Tariff Program Contract and Notice to Proceed

Provide details regarding FIT contract with the OPA and Notice to Proceed

FIT Reference #: FIT - FZEJ13H

Contract Date: April 14th, 2010

Date Notice to Proceed was received: 11-09-23

**Note: Your application cannot be processed until the OPA issues a Notice to Proceed for your project.
Please submit a copy of the Notice to Proceed with your application.**

3. Applicant's Business Information

☐ Sole Proprietor

☒ Partnership

☐ Corporation

☐ Other (describe) _____

Date of Formation: 09-05-01

Contact Address (if RR, give Lot, Concession No. and Township)

1134, Ste-Catherine West, 12th floor

City	Province/State	Country	Postal/Zip Code
Montréal	Québec	Canada	H3B 1H4
Phone Number	Fax Number	E-mail Address	
514-392-9266	514-392-1466	dgillenwater@hydromega.com	

4. Key Individuals

The individuals listed as key individuals must be the individuals that are responsible for executing the following functions for the applicant: matters related to regulatory requirements and conduct, financial matters, and technical matters. These key individuals may include the Chief Executive Officer, the Chief Financial Officer, other officers, directors, or proprietors. Identify at least two key individuals. (If the applicant has only one key individual in the organization, identify the one key individual.)

Name of Key Individual	Title/Position within Applicant's Business (or identify company if not the Applicant's Business)
Jacky Cerceau	President, Okikendawt Hydro L.P.
Philip Lawee	Secretary-Treasurer, Okikendawt Hydro L.P.

5. Licence Primary Contact

(As a condition of the licence, the licensee shall designate a person who will act as a primary contact with the Board on matters related to the licence.)

Mr. <input checked="" type="radio"/>	Mrs. <input type="radio"/>	Last Name	First Name	Initial
Miss <input type="radio"/>	Ms. <input type="radio"/>	Cerceau	Jacky	
Other <input type="radio"/>		Position Held and Company Name if different from Name to Appear on Licence		
		President		
Contact Address (if RR, give Lot, Concession No. and Township), or indicate as above in section 3 <input checked="" type="checkbox"/>				
City	Province/State	Country	Postal/Zip Code	
Phone Number	Fax Number	E-mail Address		

6. Primary Contact for this Application

☐ Indicate if same as in section 3. Proceed to section 7.

Mr. <input checked="" type="radio"/>	Mrs. <input type="radio"/>	Last Name	First Name	Initial
Miss <input type="radio"/>	Ms. <input type="radio"/>	Gillenwater	Daniel	
Other <input type="radio"/>		Position Held and Company Name if different from Name to Appear on Licence		
		Project Engineer		
Contact Address (if RR, give Lot, Concession No. and Township), or indicate if same as above <input checked="" type="checkbox"/>				
City	Province/State	Country	Postal/Zip Code	
Phone Number	Fax Number	E-mail Address		

7. Generation Facilities

a) Describe the generation facility by providing the following information. If the applicant has more than one facility, provide the information on additional facilities as an attachment.

Generation Type: ☐ Biogas ☐ Biogas (On-Farm) ☐ Landfill Gas
☐ Renewable Bio-Mass ☐ Solar PV (Rooftop) ☐ Solar PV (Ground Mount)
☐ Wind (Off-Shore) ☐ Wind (On-Shore) ☒ Waterpower

Gross Nameplate Capacity 10 ☐ kW ☒ MW

Expected Commercial Operation Date 13-11-01

Facility Name and Address Okikendawt Hydroelectric Project

Site of Portage Dam (PWGSC), Upper French River, Dokis Bay, Ontario, P0M 2K0

b) Does/will the applicant own and operate any of the following (check any that apply):

i) A distribution line that is used to distribute electricity within a generation facility described in section 7a) or from that facility to the distribution system of a Local Distribution Company?

☒ Yes, provide length of the distribution line in kilometres 38
☐ No

ii) A transmission line that is used to distribute electricity within a generation facility described in section 7a) or from that facility to the IESO-Controlled Grid?

☐ Yes, provide length of the transmission line in kilometres _____
☒ No

iii) A transformer station or distribution station that is used to transform the voltage of electricity at a generation facility described in section 7a), on a transmission line or on the distribution system of a Local Distribution Company?

☒ Yes
☐ No

c) Responsibilities of Applicant:

☐ Owner and Operator
☐ Operator (Please identify if you are leasing the facility and identify owner _____)
☒ Owner only (Please identify lessee/operator Hydroméga Services Inc.)

If you are applying for only one of the two qualifications, please provide information on the status of the other qualification. The information should include confirmation as to whether or not the person or entity seeking the other qualification is licensed and if not, indicate when an application for the other qualification will be filed with the Board: Hydroméga Services Inc is licensed (EB-2010-0387). An application for amendment is being made.

8. Connection

Provide details regarding connection of the generation facility. If the applicant has more than one facility, provide the information on additional facilities as an attachment.

a) Will the generation facility be connected to the Local Distribution Company?

- ☒ Yes, identify the Local Distribution Company and the connection point (i.e. feeder name, name of transformer station or distribution station to which the feeder is connected)

Hydro-One Network Inc., Trout Lake TS, Feeder 18M7

☐ No

b) Will the generation facility be connected to a Host Facility?

- ☐ Yes, identify the Host Facility and the connection point (i.e. feeder name, name of Local Distribution Company or Transmitter serving Host Facility, name of feeder or circuit connecting Host Facility, name of transformer station or name of switching station, name of transformer or distribution station to which the feeder is connected)

☒ No

c) Will the generation facility be connected to a transmission system (the IESO-Controlled Grid)?

- ☐ Yes, identify the connection point (i.e. name of circuit, name of transformer or switching station)

☒ No

If you have answered "No" to a), b) and c), please explain how you intend to connect the project.

9. Requirement to Give Notice

Is the applicant a distributor or transmitter, or an affiliate of a distributor or transmitter?

- ☐ Yes, the applicant may be required to give notice to the Board under section 80 of the *Ontario Energy Board Act, 1998* regarding the construction or acquisition of an interest in generation facilities by transmitters or distributors. The filing requirements for a notice under section 80 of the *Ontario Energy Board Act, 1998* are found on the Board's website at www.ontarioenergyboard.ca.

☒ No

Will the applicant acquire an interest in a distribution or transmission system in Ontario or construct a distribution system or transmission system?

- ☒ Yes, the applicant may be required to give notice to the Board under section 81 of the *Ontario Energy Board Act, 1998* regarding the construction or acquisition of an interest in transmission or distribution assets by generators. The filing requirements for a notice under section 81 of the *Ontario Energy Board Act, 1998* are found on the Board's website at www.ontarioenergyboard.ca.

☐ No

10. Licensing History

a) Has the applicant ever been licensed by the Ontario Energy Board?

☐ Yes ☒ No

If yes, please provide the licensed company name, licence number and address:

Licensed Company Name _____

Licence Number _____

Address _____

b) Has the applicant ever had an energy market related licence or registration in Ontario and/or other jurisdiction within North America refused, suspended, revoked or cancelled?

☐ Yes ☒ No

If yes, provide details: _____

11. Notice

AS REQUIRED BY THE *FREEDOM OF INFORMATION AND PROTECTION OF PRIVACY ACT*

The Board is authorized, under section 4.14 of the *Ontario Energy Board Act, 1998*, to collect personal information for the purpose of carrying out its duties and exercising its powers under the *Ontario Energy Board Act, 1998* or any other Act.

The information provided both on this form and attached to this form is being collected by the Board for the purpose of determining whether the applicant is qualified to receive the licence for which it is applying.

In order to verify the information on or attached to this form and/or determine whether the applicant is qualified to receive the licence for which it is applying, it may be necessary for the Board to collect additional information from some or all of the following sources: federal, provincial/state, or municipal governments; licensing bodies; law enforcement agencies; credit bureaus; and banks. Only information relevant to the application or the Board's determination of the application will be collected by the Board.

The public official who can answer questions about the collection of the information is:

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

Tel: 416-481-1967 or 1-888-632-6273

Applicants are reminded that the Board is subject to the *Freedom of Information and Protection of Privacy Act* ("FIPPA"). FIPPA addresses circumstances in which the Board may, upon request, be required to release information that is in its custody or under its control, and generally prohibits the Board from releasing personal information.

"Personal Information" has the meaning given to it under FIPPA.

12. Certification and Acknowledgement of Other Market Conditions

I certify that the information contained in this application and in the documents provided to the Board are true and accurate.

I understand and acknowledge that, as a licensed electricity generator, I must provide information as the Board may require from time to time.

I understand and acknowledge that, as a licensed electricity generator, I must enter into agreements with the distributor or transmitter to whom my facilities are connected.

Print Name of Applicant <i>Jacky CERCEAU</i>	Signature of Applicant 	Date Signed <i>October, 14th, 2011</i>
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(Must be signed by one of the key individuals identified in section 4)

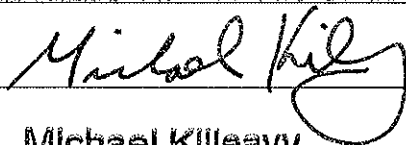
Pursuant to Section 2.4 of the FIT Contract, the OPA is hereby issuing this Notice to Proceed. Capitalized terms not defined herein have the meanings ascribed thereto in the FIT Contract.

We request that you acknowledge receipt of this Notice to Proceed by signing both copies of this document and returning one (1) hardcopy of this Notice to Proceed to the OPA and emailing an electronic copy to FIT.Contract@powerauthority.on.ca

Date	September 23, 2011
Legal Name of Supplier	Okikendawt Hydro L.P.
Contract Identification #	F-000540-WAT-130-301
Milestone Date for Commercial Operation	16/10/2014
Contract Date	14/04/2010

OPA AUTHORIZED SIGNATORY

By: _____



Date: _____

26 September 2011

Michael Killeavy
Director, Contract Management
Electricity Resources

Ontario Power Authority

SUPPLIER AUTHORIZED SIGNATORY

The Supplier acknowledges receipt of this Notice to Proceed.

By: _____

Okikendawt Hydro L.P.

Date: _____

October 12th, 2011

Name: _____

Jacky CERCEAU

Title: _____

President

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 Okikendawt Hydro L.P.	File No: (Board Use Only)	
Address of Head Office 1134 Ste-Catherine St. West, 12th floor Montreal, Quebec H3B 1H4	Telephone Number 514-392-9266	
	Facsimile Number 514-392-1466	
	E-mail Address general@hydromega.com	
Name of Individual to Contact Daniel Gillenwater, Project Engineer Hydroméga Services Inc.	Telephone Number 514-392-9266	
	Facsimile Number 514-392-1466	
	E-mail Address dgillenwater@hydromega.com	

1.1.2 Other Parties to the Transaction or Project

If more than one attach list

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

1.2 Relationship between Parties to the Transaction or Project

1.2.1	<p>Attach a list of the officers, directors and shareholders of each of the parties to the proposed transaction or project.</p> <p>Directors and officers of the applicant: Jacky Cerceau Philip Lawee</p> <p>Shareholders: Hydromega Energy (Ont) Inc. with a 75% participation (Jacky Cerceau and Philip Lawee both have a 50% participation in Hydromega Energy (Ont) Inc.)</p> <p>Dokis First Nation with a 25% participation Dokis First Nation's Chief is: Denise Restoule</p>	
1.2.2	<p>Attach a corporate chart describing the relationship between each of the parties to the proposed transaction or project and each of their respective affiliates.</p> <p>Please see 1.2.1.</p>	

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 licensed 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 licensed under the OEB Act in Ontario ("Electricity Sector Affiliates").</p> <p><u>Okikendawt Hydro L.P.</u></p> <p>Has for sole purpose the ownership of the Okikendawt Hydroelectric Project. It is currently not licensed under the OEB Act.</p> <p>Indirectly, it is related to four other Limited Partnerships owning four (4) hydroelectric projects on the Kapuskasing River. The indirect link comes from a common sponsor, Hydromega Energy (Ont) Inc.</p> <p>Hydromega Energy (Ont) Inc. has a 80% participation in Amik-BBF HydroKap L.P. (EG 2010:0388) Hydromega Energy (Ont) Inc. has a 80% participation in Amik-CTR HydroKap L.P. (EG 2010:0389) Hydromega Energy (Ont) Inc. has a 80% participation in Nipiy-WOF HydroKap L.P. (EG 2010:0390) Hydromega Energy (Ont) Inc. has a 100% participation in Nipiy-OWF HydroKap L.P. (EG 2010:0391)</p> <p><u>Hydromega Dokis G.P. Inc.</u></p> <p>Acts as the general partner for Okikendawt Hydro L.P. The General Partner will subcontract project development, operation and maintenance of the powerhouse.</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>Please see attached map (5 sheets).</p> <p>The proposed project will consist of the construction and operation of a 44kV distribution line that will be connecting to the Hydro One Networks Inc (HONI) local network, (Trout Lake TS, Feeder 18M7), in the Golden Valley, Ontario. The associated 10 MW hydroelectric generation facility will be located on the Upper French River, in the Township of Hardy, District of Parry Sound.</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 Okikendawt Hydroelectric Project is under development and as such, no generation has been produced yet.</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>The parties and their affiliates have no Board licenses or approvals. One (1) applications for Electricity Generator Licences is currently undergoing: Okikendawt Hydro L.P.: EB-xxxx-xxxx</p>	

	<p>Furthermore, the operator of the future generation facilities, Hydromega Services Inc., has an Electricity Generator Licence, under the number EB-2010-0387.</p> <p>Indirectly, it is related to four other Limited Partnerships owning four (4) hydroelectric projects on the Kapuskasing River. The indirect link comes from a common sponsor, Hydromega Energy (Ont) Inc.</p> <p>Hydromega Energy (Ont) Inc. has a 80% participation in Amik-BBF HydroKap L.P. (EG 2010:0388) Hydromega Energy (Ont) Inc. has a 80% participation in Amik-CTR HydroKap L.P. (EG 2010:0389) Hydromega Energy (Ont) Inc. has a 80% participation in Nipiy-WOF HydroKap L.P. (EG 2010:0390) Hydromega Energy (Ont) Inc. has a 100% participation in Nipiy-OWF HydroKap L.P. (EG 2010:0391)</p>	
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1.4 Current Competitive Characteristics of the Market

1.4.1	<p>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.</p> <p>Prior to the completion of the project, the generation capacity in Ontario, of the parties and their affiliates is 0 MW. The Kapuskasing Hydroelectric Projects (Amik-BBF HydroKap L.P. / Amik-CTR HydroKap L.P. / Nipiy-WOF HydroKap L.P. / Nipiy-OWF HydroKap L.P.) have not yet achieve commercial operation.</p>	
1.4.2	<p>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.</p> <p>Market share is 0% (0 MW of capacity) of the Annual Primary Demand in Ontario</p>	

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

1.5.1	<p>Attach a detailed description of the proposed transaction or project, including geographic locations of proposed new transmission or distribution systems, or new generation facilities.</p> <p>The proposed project will consist of the construction and operation of a 44V distribution line that will be connecting to the Hydro One Networks Inc (HONI) local network, up to Kapuskasing TS.</p> <p>The distribution line will be 100% owned by Okikendawt Hydro L.P.</p> <p>Construction and operation of a 12 MVA substation will also be undertaken. A new hydroelectric generation facility of 10 MW (2 turbines x 5MW) will also be built on the Upper French River. The substation and the generation facility will be 100% owned by Okikendawt Hydro L.P.</p>	
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1.5.2	<p>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.</p> <p>Hydromega Energy (Ont) Inc. has a 75% participation in Okikendawt Hydro L.P. (EG xxxx-xxxx) : 10 MW Hydromega Energy (Ont) Inc. has a 80% participation in Amik-BBF HydroKap L.P. (EG 2010:0388) : 5.5 MW Hydromega Energy (Ont) Inc. has a 80% participation in Amik-CTR HydroKap L.P. (EG 2010:0389) : 5.5 MW Hydromega Energy (Ont) Inc. has a 80% participation in Nipiy-WOF HydroKap L.P. (EG 2010:0390) : 5.5 MW Hydromega Energy (Ont) Inc. has a 100% participation in Nipiy-OWF HydroKap L.P. (EG 2010:0391) : 5.5 MW</p>	
1.5.3	<p>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.</p> <p>Expected annual generation by Okikendawt Hydro L.P. is 50,000 MWh. Considering that Total Annual Ontario Energy Demand for 2010 was forecasted at 142 TWh, the expected generation market share would be negligible..</p> <p>Source for denominator: http://www.ieso.ca/imoweb/media/md_newsitem.asp?newsID=5529</p>	
1.5.4	<p>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.</p> <p>We expect no impact on competition upon completion of the project. The reason is that the anticipated market share is less than 0.1%. Also, the Okikendawt Hydroelectric Project will have a capacity of 10 MW, therefore being exempt from relations with IESO. Moreover, all the output will be sold through a FIT power purchase agreement with the OPA at a fixed price.</p>	
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>Okikendawt Hydro L.P. confirms that the Project will have no impact on Open Access.</p>	

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>All Parties confirms that they are in compliance with all applicable license and code requirements, and that they will continue to remain in compliance with all applicable license and code requirements after completion of the project.</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

2.1.1	<p>Describe whether the proposed generation output will be primarily offered into the IAM, sold via bilateral contracts, or for own use.</p> <p>All the output, except a minor internal consumption portion, will be directed to the OPA with whom Okikendawt Hydro L.P. has signed a FIT power purchase agreement.</p>	
2.1.2	<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>The Okikendawt Hydroelectric Project will use direct drive double regulated Kaplan Turbine. Maximum output will be 10 MW. Capacity factor is estimated at 50.0% and availability at 97.5% (8541 hours/year). It is a run-of-river facility not intended for peaking.</p>	
2.1.3	<p>Provide details on whether the generation facility is expected to sign a “must run” contract with the IESO.</p> <p>The generation facility, considering it will have a generation capacity of 10 MW will not need to have any direct integration with the IESO. The signature of a “must run” contract is therefore not anticipated.</p>	
2.1.4	<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>The Generation facility is not expected to serve a “load pocket”, and is not likely to be “constrained on” due to transmission constraints. However, Exhibit B of the FIT Contract, does stipulate in <u>art. 1.5 – IESO instructions</u> that there is a possibility that “... IESO issues instructions to reduce all or part of the output of the Contract Facility on an economic basis in order to mitigate over generation on the IESO controlled grid...”.</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	<p>Provide reasons why the proposal is required to maintain the reliability of the transmission or distribution system. Provide supporting studies.</p> <p>NA</p>	
2.2.2	<p>Discuss the effect of the proposal on the adequacy (ability of supply to meet demand) of</p>	

	supply in the relevant control area or distribution region, citing effects on capacity plus reserve levels in comparison to load forecasts. NA	
2.2.3	Discuss the effect of the proposal on the security (ability of supply to respond to system contingencies) of supply. NA	
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. NA	

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	<p>Provide a description of the transmission or distribution system being acquired or constructed.</p> <p>Okikendawt Hydro L.P. will build, own and operate a 44 kV distribution line that will be connecting to the existing distribution system owned by HONI in Golden Valley, Ontario. The final connection point is at Trout Lake TS, Feeder 18M7. The line will be used only to convey electricity produced by the Okikendawt Hydroelectric Project up to the HONI network.</p>	
3.1.2	<p>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.</p> <p>The 10 MW hydroelectric generation facility will be directly connected to distribution system owned by HONI in Golden Valley, Ontario.</p>	
3.1.3	<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>The Generation facility is not expected to serve a “load pocket”, and is not likely to be “constrained on” due to transmission constraints. However, Exhibit B of the FIT Contract, does stipulate in <u>art. 1.5 – IESO instructions</u> that there is a possibility that “... IESO issues instructions to reduce all or part of the output of the Contract Facility on an economic basis in order to mitigate over generation on the IESO controlled grid...”.</p>	
3.1.4	<p>Provide details on whether the generation facilities are expected to sign a “must run” contract with the IESO.</p> <p>The generation facility, considering it will have a generation capacity of 10 MW will not need to have any direct integration with the IESO. The signature of a “must run” contract is therefore not anticipated.</p>	

How to Contact the Ontario Energy Board

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