

EB-2011-0348

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

AND IN THE MATTER OF an application by Atlantic Power Services Canada LP for an electricity generation licence.

By delegation, before: Jennifer Lea

DECISION AND ORDER

Atlantic Power Services Canada LP filed an application on September 19, 2011 with the Ontario Energy Board under section 60 of the *Ontario Energy Board Act*, 1998 for an electricity generation licence.

The Board's Notice of Application and Written Hearing for an electricity generation licence was published on September 30, 2011. No parties responded to the Notice of Application and Written Hearing.

By way of a commercial transaction the operation of five generation facilities located in northern Ontario, namely Calstock Power Plant, Kapuskasing Power Plant, Nipigon Power Plant, North Bay Power Plant and Tunis Power Plant will be transferred to the applicant. These generation facilities are currently operated by another licensed generator. By letter to the Board dated October 21, 2011 the applicant requested that the licence not become effective until such time as the applicant notifies the Board that the commercial transaction has closed and operation of the five generation stations has been transferred to the applicant. In its application the applicant stated the commercial transaction is expected to close in November 2011.

After considering the application, I find it to be in the public interest to grant the electricity generation licence under Part V of the Act. The licence will be issued when the Board receives confirmation from the applicant that the commercial transaction has closed, and will be effective from the date of closing.

IT IS THEREFORE ORDERED THAT:

- 1. The application for an electricity generation licence is granted.
- 2. Atlantic Power Services Canada LP shall immediately advise the Board of the date of the completion of the commercial transaction regarding the five generating facilities to be listed in Schedule 1 of the generation licence.
- 3. Until such time as the generation licence is issued, Atlantic Power Services Canada LP shall advise the Board of any material changes to the information submitted as part of the licence application.

DATED at Toronto, October 31, 2011

ONTARIO ENERGY BOARD

Original signed by

Jennifer Lea Counsel, Special Projects



Electricity Generation Licence

EG-2011-0348

Atlantic Power Services Canada LP

Valid Until

November 7, 2031

Original signed by

Jennifer Lea Counsel, Special Projects Ontario Energy Board

Date of Issuance: November 8, 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

Atlantic Power Services Canada LP Electricity Generation Licence EG-2011-0348

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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 Atlantic Power Services Canada LP;

"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 IESOadministered 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
 - 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

- 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.
- 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 November 8, 2011 and expire on November 7, 2031. 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:

The Licence authorizes the Licensee to operate Generation Stations as follows:

- 1. Calstock Power Plant, Hearst, Ontario;
- 2. Kapuskasing Power Plant, Kapuskasing, Ontario;
- 3. Nipigon Power Plant, Nipigon, Ontario;
- 4. North Bay Power Plant, North Bay, Ontario; and
- 5. Tunis Power Plant, Tunis, Ontario.