



April 4, 2012

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
Suite 2700, P.O. Box 2319
Toronto, ON M4P 1E4

Dear Ms. Walli:

Re: Notice of Proposal under Section 80 of the *Ontario Energy Board Act, 1998*

Veridian Connections Inc. ("Veridian") is a licensed electricity distributor in the province of Ontario and is submitting this Notice of Proposal application (attached) as required under section 80 of the *Ontario Energy Board Act, 1998* (the "Act") for your consideration.

Veridian intends to own, operate and maintain a renewable electricity generation project as contemplated by subsection 71(3) of the Act. The project consists of a 130 kW roof-top mounted solar PV system and involves the sale of electricity to the Ontario Power Authority ("OPA") under the Feed-in Tariff ("FIT") program. A Notice to Proceed has been issued by the OPA for the project under FIT Contract Identification Number F-002006-SPV-130-502-00006.

Veridian respectfully submits that a review of the Notice of Approval for this project is not necessary for the reasons that follow. Veridian is pursuing this renewable electricity generation project under the fundamental principles of the *Green Energy and Green Economy Act, 2009*. The FIT contract awarded to this project by the OPA was done so through a competitive procurement process administered by the OPA, and in granting the contract a thorough review of the project was conducted by the OPA, including the ability to connect the project to the electric distribution system. Veridian submits, for the reasons stated above, the project will not adversely affect the development and maintenance of a competitive electricity market in the province of Ontario.

Please let me know if you have any questions with respect to the attached application or if you require further information.

Sincerely,

Original signed by

George Armstrong
Vice President, Corporate Services

55 Taunton Road East

Ajax, ON L1T 3V3

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The power to make your community better.

Veridian Connections is a wholly owned subsidiary of Veridian Corporation



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 Veridian Connections Inc.	File No: (Board Use Only)	
Address of Head Office 55 Taunton Road East Ajax, ON L1T 3V3	Telephone Number	
	Facsimile Number	
	E-mail Address	
Name of Individual to Contact Mark Turney Vice President, Operations	Telephone Number 905-427-9870, Ext. 3275	
	Facsimile Number 905-619-0210	
	E-mail Address mturney@veridian.on.ca	

1.1.2 Other Parties to the Transaction or Project

If more than one attach list

Name of Other Party N/A	Board Use Only	
Address of Head Office N/A	Telephone Number	
	Facsimile Number	
	E-mail Address	
Name of Individual to Contact N/A	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.	
	<p>Following are the officers, directors and shareholders of Veridian Connections Inc.</p> <p>Officers: Doug Dickerson - Chair Neil Ellis - Vice-Chair Michael Angemeer - President and Chief Executive Officer Axel Starck - Executive Vice-President, Asset Services and Chief Operating Officer George Armstrong - Vice President, Corporate Services Laurie McLorg - Vice President, Financial Services, Chief Financial Officer and Treasurer Peter Petriw - Vice-President, Engineering, Robert Scarffe - Executive Vice-President, Customer Service and Information Technology; Mark Turney - Vice-President, Operations</p> <p>Directors: Pat Brown Doug Dickerson Neil Ellis Cindy Holland Colleen Jordan James Mason Nancy Maxwell Mary Novak Erin O'Toole Doug Parker David Pickles Sylvain Trepanier</p> <p>Shareholders: Veridian Corporation</p>	

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.	
	<p>Veridian Connections Inc. is wholly owned by Veridian Corporation. Veridian Corporation is owned by the following shareholders:</p> <p>City of Pickering 41.0% Town of Ajax 32.1% Municipality of Clarington 13.6% City of Belleville 13.3%</p> <p>Veridian Corporation also owns Veridian Energy Inc., which is currently an inactive business.</p>	

1.3 Description of the Businesses of Each of the Parties

1.3.1	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>Veridian Connections Inc. (Veridian) is a licensed electricity distributor in the province of Ontario, which owns, operates and maintains electricity distribution assets for the distribution of electricity to approximately 115,000 customers in the communities of: Pickering, Ajax, Clarington, Port Hope, Belleville, Scugog, Brock, Uxbridge and Gravenhurst.</p> <p>Veridian intends to own, operate and maintain a renewable electricity generation project as provided for in subsection 71(3) of the <i>Ontario Energy Board Act, 1998</i>. The renewable electricity generation project will be subject to a contract with the Ontario Power Authority (OPA) for the sale of electricity under the OPA's Feed-in Tariff (FIT) program. A generation license application for the project will not be filed with the OEB as the nameplate capacity of the project is less than 500 kW.</p>	
1.3.2	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>See attached description of Veridian service territories (Attachment A).</p> <p>Note: Veridian does not own existing electricity generating assets.</p>	
1.3.3	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.	
	Veridian has zero annual sales from electricity generation.	
1.3.4	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>Veridian Connections Inc. operates under OEB Electricity Distribution License ED-2002-0503.</p> <p>Veridian Connections Inc. is currently preparing two applications for filing with the Board; an Account 1562 PILS application (Board file no. EB-2012-0061) and a Smart Meter Cost Recovery application (Board file number not yet assigned).</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.	
	Veridian has zero generation capacity within the province of Ontario prior to the completion of the proposed project.	
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.	
	Veridian has zero generation market share prior to the completion of the proposed project.	

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.	
	The proposed project is a 130 KW roof-top solar PV system located on the roof of the Veridian head-office building located at 55 Taunton Road East, Ajax, Ontario. The solar PV system was awarded a FIT contract offer on June 28, 2011 (FIT Contract Identification Number F-002006-SPV-130-502-00006).	
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.	
	The generation capacity within the province of Ontario after the completion of the proposed project will be 0.130 MW.	
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.	
	The proposed project will generate approximately 165,000 kWh annually, which represents 0.00012% of the 2011 provincial market share of 141.5 TWh.	
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.	
	This transaction will have no impact on competition. The transaction is completely within Veridian Connections Inc. and involves a FIT contract for renewable energy with the OPA. Customer choice with respect to generation, energy wholesalers and/or energy retailers will not be affected by this transaction.	
1.5.5	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.	
	The proposed project will have no impact on the open access to the Veridian Connections Inc. electricity distribution system or the provincial electricity distribution system. As a licensed electricity distributor, Veridian Connections Inc. will still be required to allow non-discriminatory access to its electricity distribution system as provided for in the <i>Electricity Act, 1998</i> , as amended, subject to such limitations on open access as may be provided for by legislation or the OEB. Veridian Connections Inc. is also subject to the OEB Affiliate Relationships Code and as such is not permitted to provide preferential treatment.	

1.6 Other Information

1.6.1	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.	
	Veridian, to the best of its knowledge, is in compliance with all license and code requirements and will remain in compliance during and following the completion of the renewable electricity generation project contemplated by this application.	

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	Describe whether the proposed generation output will be primarily offered into the IAM, sold via bilateral contracts, or for own use.	
	The proposed generation output is subject to a contract with the OPA for the sale of electricity under the FIT program.	
2.1.3	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.	
	The proposed project is a roof-top solar PV project with a nameplate capacity of 130 kW. The project is expected to produce approximately 165,000 kWh of electricity annually.	
2.1.4	Provide details on whether the generation facility is expected to sign a “must run” contract with the IESO.	
	The proposed project will not be a “must run” facility with the IESO.	
2.1.5	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.	
	The proposed project will not serve as a “load pocket” and is not constrained due to transmission system constraints.	

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.

This section is not applicable as the proposed project is not 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.	
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.	

2.2.3	Discuss the effect of the proposal on the security (ability of supply to respond to system contingencies) of supply.	
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.	

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.

This section is not applicable to this application.

3.1 Effect on Competition

3.1.1	Provide a description of the transmission or distribution system being acquired or constructed.	
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.	
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.	
3.1.4	Provide details on whether the generation facilities are expected to sign a “must run” contract with the IESO.	

How to Contact the Ontario Energy Board

The Ontario Energy Board is located at:

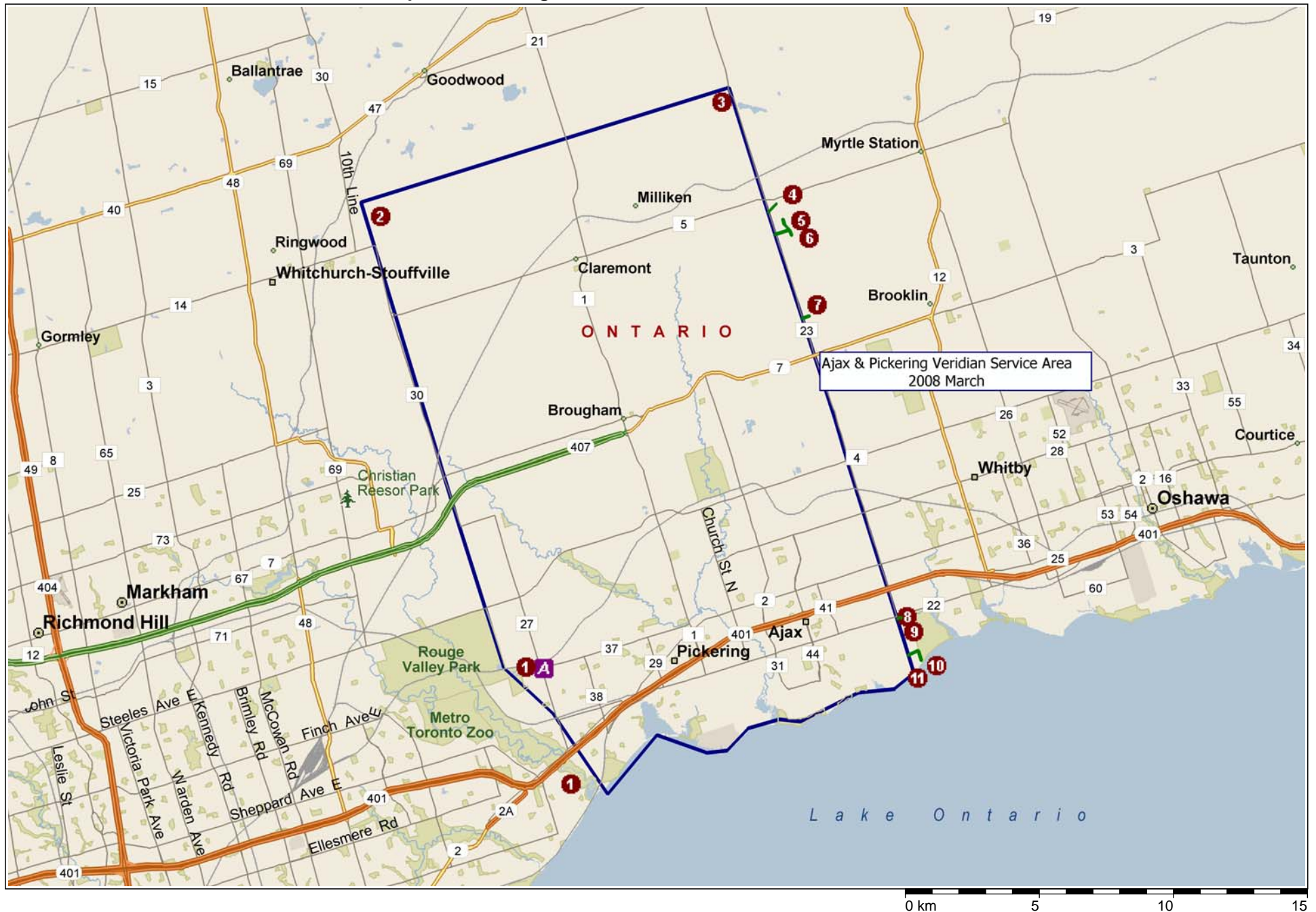
P.O. Box 2319
2300 Yonge Street, Suite 2701
Toronto, Ontario
M4P 1E4

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

Attachment A

Maps of Veridian Connections Inc.'s Service Territory

Ajax Pickering Veridian Service Area 20080326



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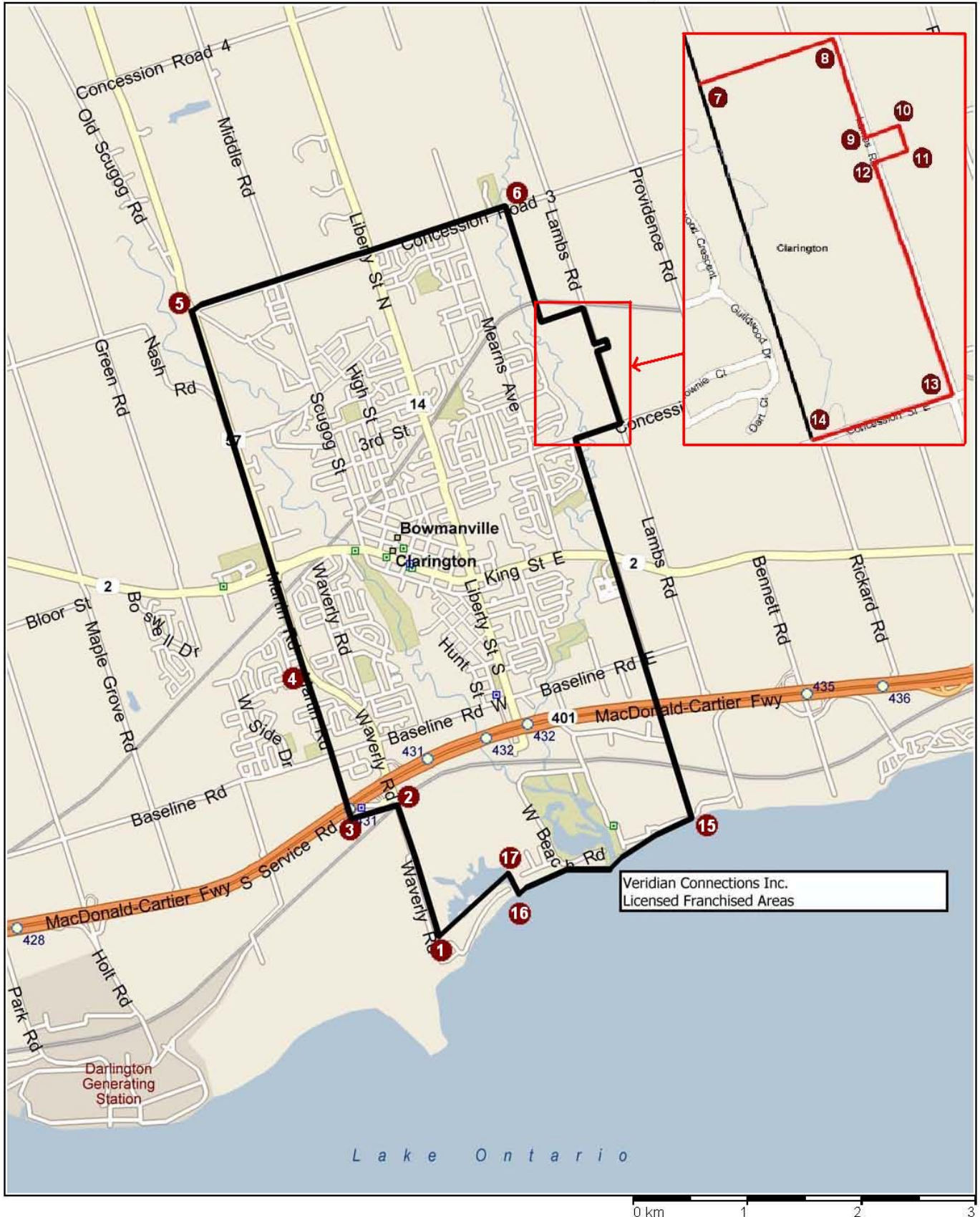
Beaverton Veridian Territory Existing Nov 11 2004 R1



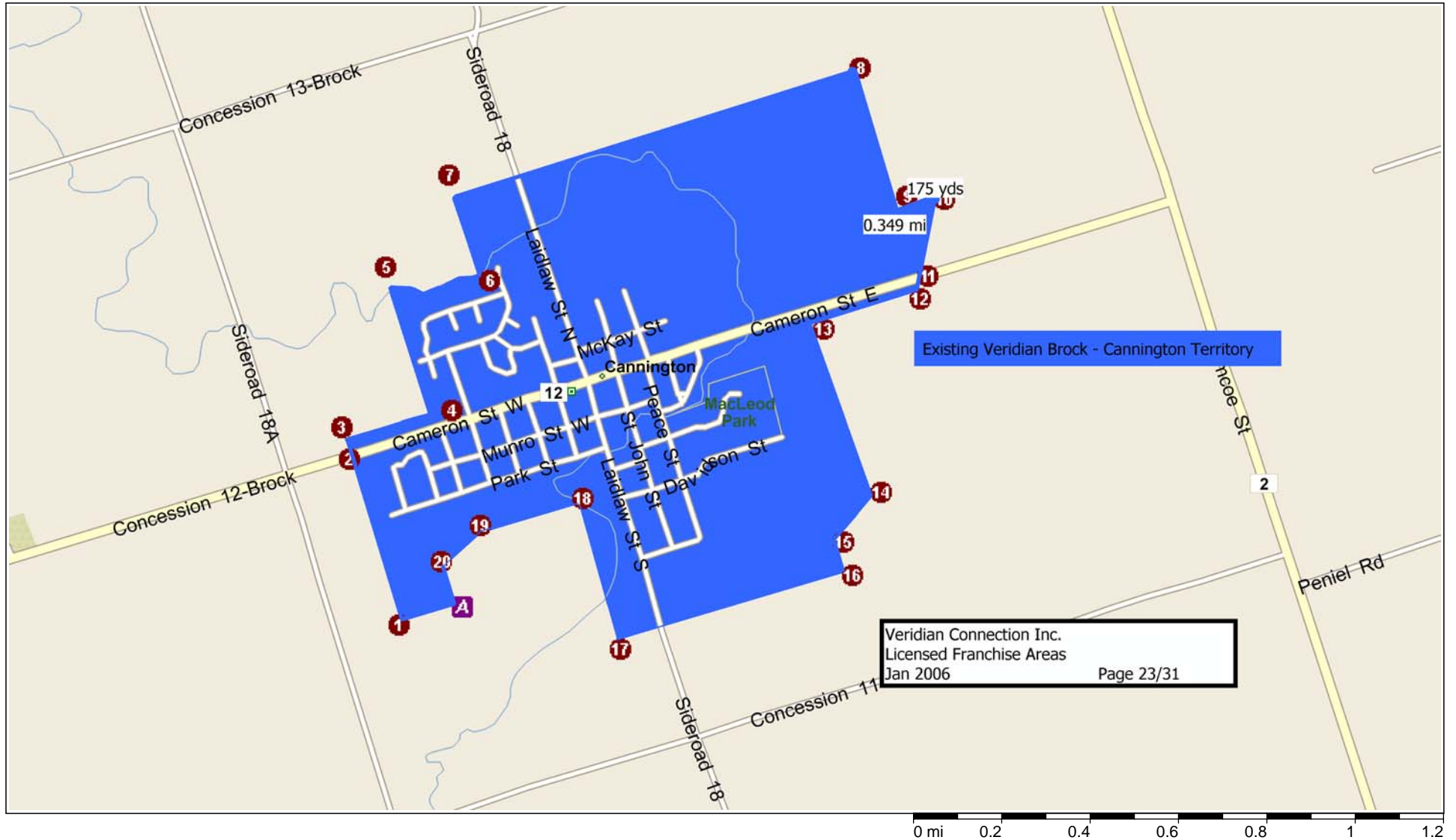
Belleville Veridian Territory



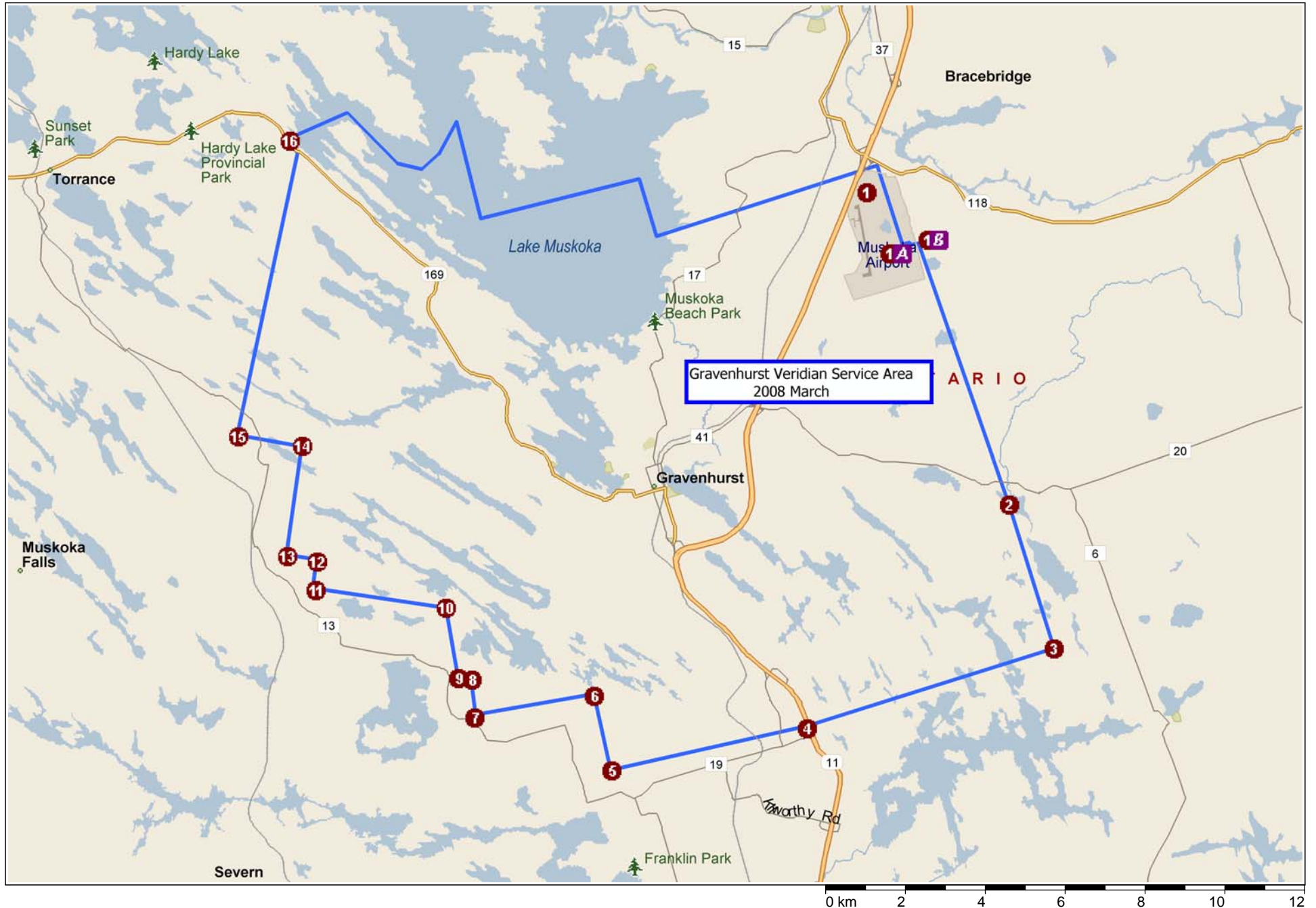
Bowmanville Veridian Territory



Cannington Veridian Territory Existing Nov 11 2004



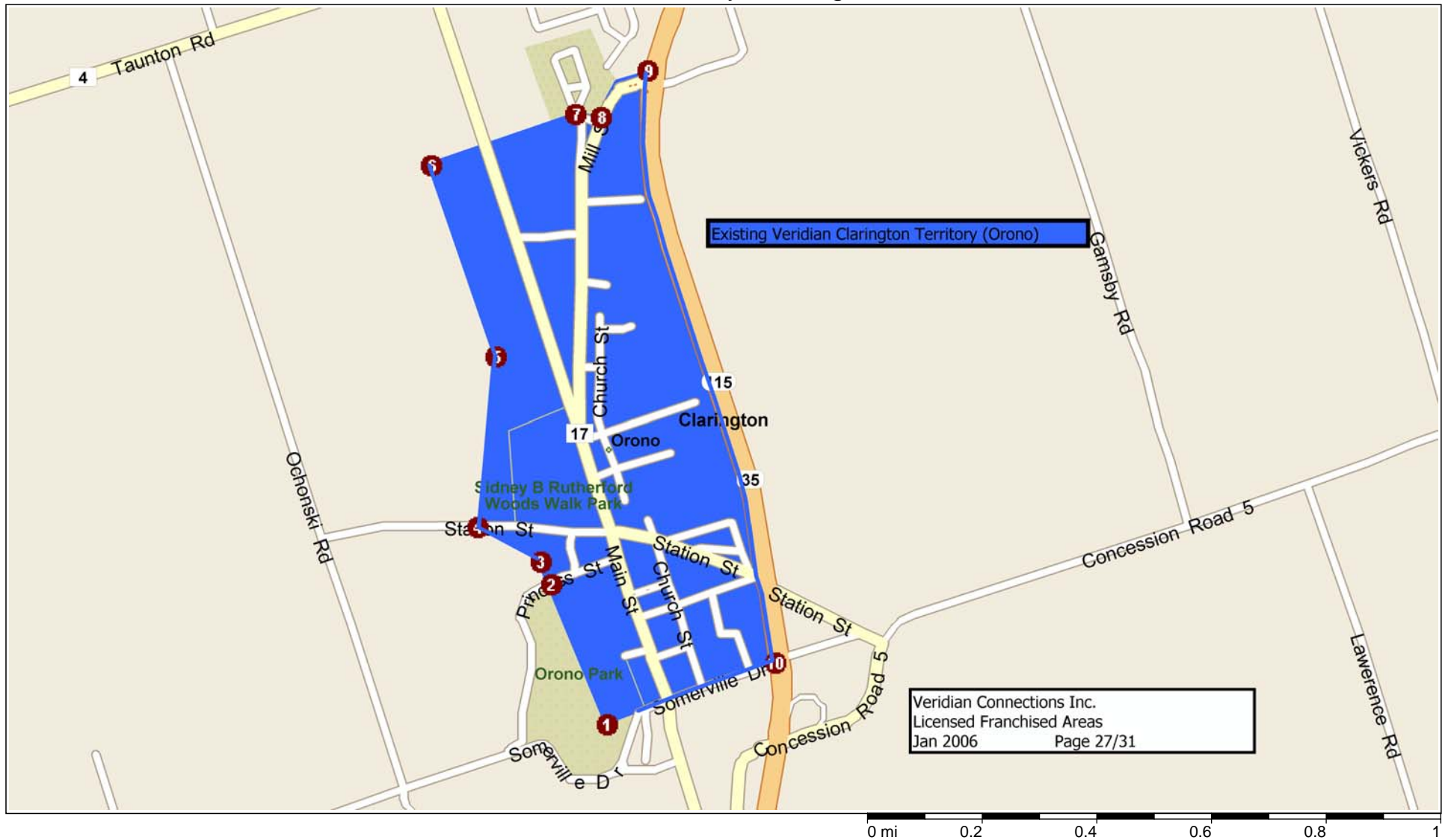
Gravenhurst Veridian Service Area_20080326



Newcastle Veridian Territory Existing Nov 11 2004



Orono Veridian Territory Existing Nov 11 2004



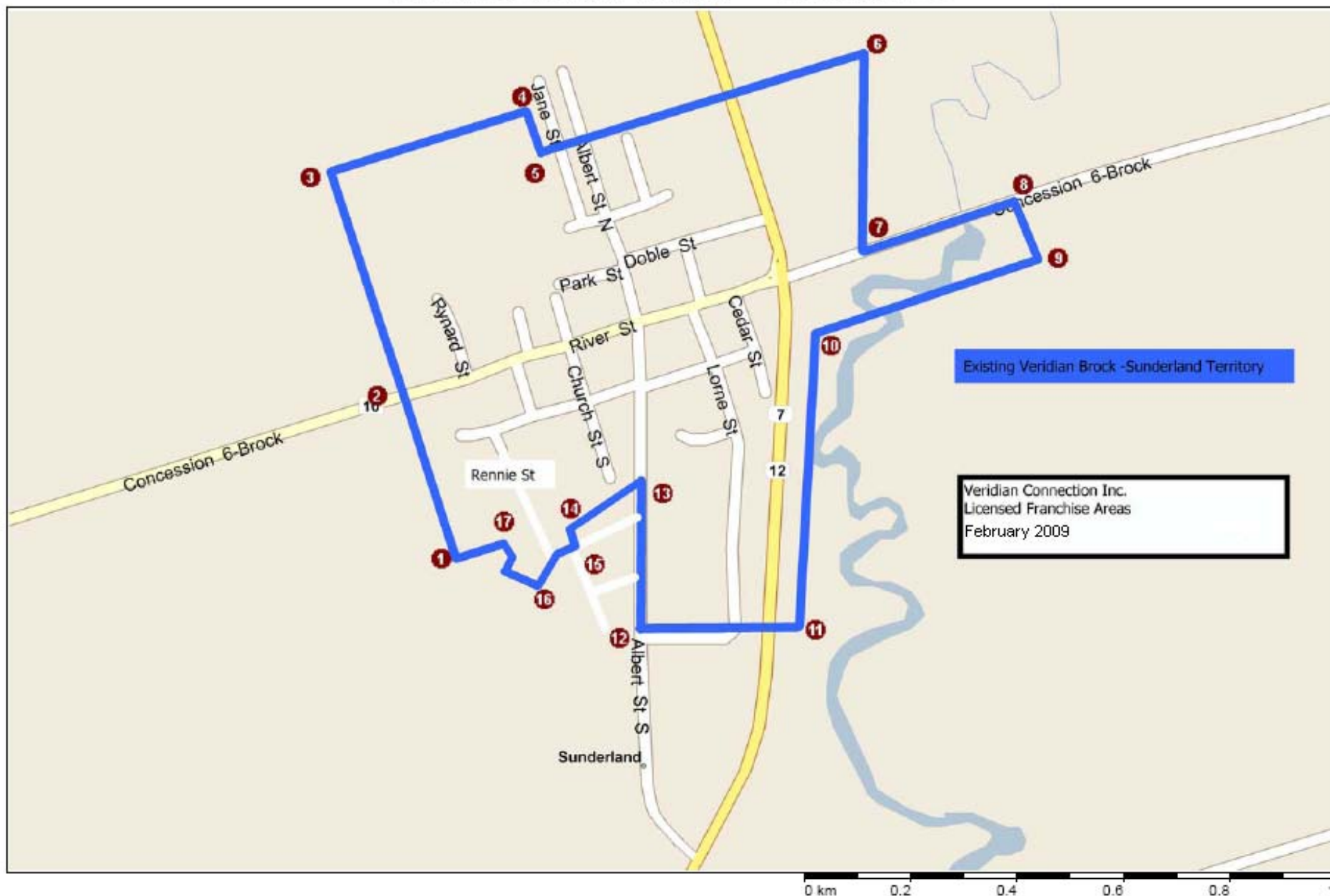
Port Hope Veridian Territory Existing Nov 11 2004



Scugog Veridian Service Area 2005 jul 01



Veridian Sunderland Territory February 2009



Uxbridge Veridian Service Area 20071028

