



EB-2012-0190

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

AND IN THE MATTER OF an application pursuant to
section 74 of the *Ontario Energy Board Act, 1998* by AbiBow
Canada Inc. to amend its electricity generation licence.

By delegation, before: Viive Sawler

DECISION AND ORDER

JUNE 21, 2012

AbiBow Canada Inc. filed an application on March 29, 2012 with the Ontario Energy Board pursuant to section 74 of the *Ontario Energy Board Act, 1998*, to amend Schedule 1 of its electricity generation licence, EG-2003-0204.

The licence amendment is granted.

Reasons

AbiBow Canada Inc. stated that it is developing the Thunder Bay Condensing Turbine Project (the "Project") at its existing pulp and paper mill (the "Mill") to supply heat output to the Mill.

The Project is expected to produce up to 62% of the Mill's energy requirements. It is located at 2001 Neebing Avenue in Thunder Bay. The primary fuel is renewable

biomass which includes three sources, bark, sludge produced at the Mill and wood waste. AbiBow Canada Inc. will be the owner and operator of the Project. The Project is expected to be operational in quarter one of 2013.

The Project will be connected to the IESO controlled grid through Hydro One Networks Inc.'s transmission system.

AbiBow Canada Inc. has a 10-year power purchase agreement with the Ontario Power Authority issued under the Ontario Power Authority's Combined Heat and Power III procurement. Almost 20% of the estimated project cost has been provided by the Ministry of Northern Development, Mines and Forestry through the Forest Sector Prosperity Fund program.

Other than the addition of the Project, there are no other changes. All other information remains the same.

I have proceeded to decide the application without a hearing pursuant to section 21(4)(b) of the Act since no other parties are adversely affected in a material way by the outcome of the proceeding, and the applicant has consented to disposing of the application without a hearing.

I find that the information provided in the application is sufficient to demonstrate that granting the requested amendment is in the public interest.

IT IS ORDERED THAT:

Schedule 1 of electricity generation licence EG-2003-0204 is amended as requested. The amended licence is attached to this Order.

DATED at Toronto, **June 21, 2012**

ONTARIO ENERGY BOARD

Original Signed By

Viive Sawler
Manager, Conservation & Reporting



Electricity Generation Licence

EG-2003-0204

AbiBow Canada Inc.

Valid Until

October 28, 2023

Original Signed By

Viive Sawler
Manager, Conservation & Reporting
Ontario Energy Board
Date of Issuance: October 29, 2003
Date of Amendment: January 26, 2006
Date of Amendment: March 5, 2007
Date of Amendment: May 27, 2011
Date of Amendment: June 21, 2012

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1 Definitions

In this Licence:

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

“**commercial transaction**” means the transfer of ownership of eight hydroelectric generating stations with total capacity of 136 MW in the vicinities of Kenora, Fort Frances and Iroquois Falls, and associated transmission and distribution lines from Abitibi-Consolidated Company of Canada to ACH Limited Partnership;

“**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 AbiBow Canada Inc.;

“**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 October 29, 2003 and expire on October 28, 2023. 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. The ownership and operation of Westcoast Power Holdings Cogen Plant Generating Station, with an installed capacity of 1124.353 MW located at Town of Fort Frances, District of Rainy River, Ontario.
2. The ownership and operation of the Thunder Bay Condensing Turbine Project with an installed capacity of 68 MW located at 2001 Neebing Avenue, Thunder Bay, Ontario.