



Entegrus Powerlines Inc.
PO Box 70
Chatham, ON N7M 5K2
Phone: (519) 352-6300
Toll Free: 1-866-804-7325
Fax: (519) 351-4059
entegrus.com

November 5, 2012

Ms. Kirsten Walli
Ontario Energy Board
PO Box 2319
27th Floor, 2300 Yonge Street
Toronto, Ontario M4P 1E4

**Re: Proposed Bio-Gas Generation Project
Board File No: EB-2012-0421**

Dear Ms. Walli,

Pursuant to Section 80 of the *Ontario Energy Board Act, 1998*, please find attached a notice of proposal in respect of the above stated generation project. In keeping with the fundamental principles of the *Green Energy Act, 2009*, Entegrus Powerlines Inc. ("Entegrus") is pursuing the development of renewable energy supply.

Entegrus proposes to construct one (1) Bio-Gas renewable energy generation facility (the "Project") within the Municipality of Chatham-Kent. The maximum capacity output of this project will be 250 kW. The proposed project will be constructed on property owned by the Municipality of Chatham-Kent (the "Municipality") and will connect to the distribution grid. Entegrus will be the signatory to the FIT contracts and will own a 50 percent share of the Project's assets; the residual 50 percent ownership will be held by the Municipality of Chatham-Kent and operated by the Municipality's Public Utility Commission ("PUC").

If you have any further questions, please do not hesitate to contact Dan Charron at (519) 352-6300, extension 249.

Regards,

[Original Signed By]

Ryan Diotte
Senior Regulatory Specialist
Phone: (519) 352-6300 Ext. 266
Email: ryan.diotte@entegrus.com

CC: Dan Charron, President Entegrus Powerlines Inc.
Chris Cowell, President Entegrus Service Inc.
David Ferguson, Director of Regulatory & Administration
Tom Kissner, General Manager Chatham-Kent Public Utilities Commission

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 Entegrus Powerlines Inc.	File No: (Board Use Only) EB-2012-0421
Address of Head Office 320 Queen Street, PO Box 70 Chatham, Ontario N7M 5K2	Telephone Number (519) 352-6300
	Facsimile Number (519) 351-4059
	E-mail Address Regulatory@entegrus.com
Name of Individual to Contact Dan Charron, President Entegrus Powerlines Inc. 320 Queen Street, PO Box 70 Chatham, Ontario N7M 5K2	Telephone Number (519) 352-6300 Ext. 249
	Facsimile Number (519) 351-4059
	E-mail Address dan.charron@entegrus.com

1.1.2 Other Parties to the Transaction or Project

If more than one attach list

Name of Applicant Chatham-Kent Public Utilities Commission	File No: (Board Use Only) EB-2012-0421
Address of Head Office 325 Grand Ave East. Chatham, Ontario N7L 1W8	Telephone Number 519-436-0119
	Facsimile Number 519-352-3432
	E-mail Address
Name of Individual to Contact Tom Kissner, General Manager Chatham-Kent Public Utilities Commission 325 Grand Ave East. Chatham, Ontario N7L 1W8	Telephone Number 519-436-0119
	Facsimile Number 519-352-3432
	E-mail Address TOMK@chatham-kent.ca

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. <hr/> PARTIES <u>Entegrus Powerlines Inc.</u> Max Fantuz, Chairperson Jim Hogan, President and CEO, Entegrus Inc. Jo-Ann Patterson, Independent Director Patrick McMahon, Independent Director Randy Hope, Mayor, Municipality of Chatham-Kent (Municipal Representative) Wesley T. Thompson, Independent Director Paul House, Independent Director <u>Officer(s)</u> •Dan Charron, President, Entegrus Powerlines Inc.	
-------	--	--

<p><u>Municipality of Chatham-Kent</u> Randy Hope, Mayor – Municipality of Chatham-Kent Bryon Fluker – Council Ward 1 Brian King – Council Ward 1 Karen Herman – Council Ward 2 Art Stirling – Council Ward 2 Frank Vercooteren – Council Ward 2 Jim Brown – Council Ward 3 Steve Pinsonneault – Council Ward 3 Joe Faas – Council Ward 4 Leon Leclair – Council Ward 4 Jeff Wesley – Council Ward 5 Sheldon Parsons – Council Ward 5 Michael Bondy – Council Ward 6 Marjorie Crew – Council Ward 6 Anne Gilbert – Council Ward 6 Bob Myers - Council Ward 6 Derek Robertson – Council Ward 6 Douglas Sulman – Council Ward 6</p> <p><u>AFFILIATES</u> <u>Entegrus Services Inc.</u> Fred Hassan, Chairperson Jim Hogan, President and CEO, Entegrus Inc. Patrick Weaver, Director Victor Lu, Director</p> <p><u>Officer(s)</u> Chris Cowell, President, Entegrus Services Inc.</p> <p><u>Entegrus Transmission Inc.</u> Brian McKerlie - Chairperson Jim Hogan – President and CEO, Entegrus Inc. Brett Hodson – Director (Corix Energy Representative) Mike Cadotte – Independent Director Dave Kenney – Independent Director Randy Hope – Mayor, Municipality of Chatham-Kent (Municipal Representative) Doug Sulman – Councillor, Municipality of Chatham-Kent (Municipal Representative) Ray Payne – Independent Director</p> <p><u>Officer(s)</u> Tomo Matesic – President, Entegrus Transmission Simon Bruinsma – Chief Operating Officer, Entegrus Transmission</p>	
---	--

	<p><u>Entegrus Inc.</u> Darrin Canniff, Chairperson Doug Sulman, Councilor, Municipality of Chatham-Kent (Municipal Representative) Brett Hodson, Director (Corix Energy Representative) Brian McKerlie, Director Fred Hassan, Director Max Fantuz, Director Paul House, Director Randy Hope, Mayor, Municipality of Chatham-Kent (Municipal Representative)</p> <p><i>Officers</i> Jim Hogan, President and CEO, Entegrus Inc. Chris Cowell, President, Entegrus Services Inc. Dan Charron, President, Entegrus Powerlines Inc. Tomo Matesic, President, Entegrus Transmission Inc</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> <hr/> <p>Please see attachment 1.1.2</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> <hr/> <p><u>Entegrus Inc. ("Entegrus")</u> The vision of Entegrus is to provide safe, reliable delivery of electricity and related energy services in an environmentally responsible manner at competitive rates; responsive service levels at cost levels that provide reasonable financial benefits to the shareholders; and enhance economic development within our communities. Entegrus is also committed to pursuing growth opportunities within and beyond the Municipal boundaries that will increase the value of the shareholder's investment and enhance Entegrus' ability to maintain its presence in the Ontario market.</p> <p><u>Entegrus Powerlines Inc. ("EPI")</u> EPI owns, operates and manages the assets associated with the distribution of electrical power with the territory set out in the electrical distribution license. License ID: ED-2002-0563</p>	
-------	---	--

1.3.1	<u>Entegrus Transmission Inc. ("ETI")</u> ETI's goal is to own and operate transmissions systems to enable the development and connection of renewable energy generation in Ontario and to improve the overall reliability, safety and cost-effectiveness of electrical transmission in the province of Ontario. License ID: ET-2010-0351	
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. <hr/> EPI's service area is as follows: Town of Blenheim, Town of Bothwell, City of Chatham, Town of Dresden, Village of Eriau, Police Village of Merlin, Town of Ridgetown, Village of Thamesville, Town of Tilbury, Town of Wallaceburg, Village of Wheatley, and Part Lots 16 & 17, Concession A, Geographic Township of Raleigh, designated as Part 1, Reference Plan 24R 7195, Municipality of Chatham-Kent, and Part Lot 17, Concession A, Geographic Township of Raleigh, designated as Part 2, Reference Plan 7195, Municipality of Chatham-Kent, the former Town of Strathroy, the former Police Village of Mount Brydges, the former Town of Parkhill, the Village of Dutton within the Municipality of Dutton/Dunwich and the Village of Newbury. PUC's service area is as follows EPI currently owns one 10 kW generation facility located at 320 Queen Street, Chatham, Ontario, within Entegrus' distribution territory.	
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. <hr/> The existing 10 kW facility was connected in November 2010. The most recent fiscal year ending December 31, 2011 annual sales were \$9,876 with an annual output of 12.303 MWh.	
1.3.4	Attach a list identifying all relevant Board licenses 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. <hr/> Entegrus Powerlines Inc.- ED-2002-0563 Entegrus Transmission Inc. – ET-2010-0351	

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> <hr/> <p>The Applicant currently owns generation capacity at 320 Queen Street, Chatham Ontario. This location has 0.010 MW of capacity.</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> <hr/> <p>The total Annual Ontario Energy Demand for 2011, as posted on the IESO's website, is 141.5 TWh. The proposed facility's generation would represent a fraction of one percent of the Annual Primary Demand within 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> <hr/> <p>The Applicant is proposing the following Bio-Gas Project: Chatham-Kent Public Utility Commission ("PUC"), 100 Irwin Street, Chatham, Ontario – 250 kW capacity.</p>	
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> <hr/> <p>Immediately after completion of the project, the Applicant would have the generation capacity of 0.25 MW plus the existing generation of 0.010 MW, totaling 0.26 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> <hr/> <p>It is anticipated that the Bio-Gas project noted above will produce an estimated 1,730 MWh of generation per year. The total Annual Ontario Energy Demand for</p>	

	2011, as posted on the IESO's website, is 141.5 TWh. This proposed generation will represent a fraction of a percent of the provincial generation capacity.	
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> <hr/> <p>Through the Green Energy Act, 2009, the province has put forward as a policy directive, the achievement of an increase in clean renewable energy sources. The proposed project will have no impact on competition. The OPA evaluates proposed projects using set criteria, including the ability to connect the project to the system. The Project was selected by the OPA as part of a competitive process; the FIT Program. The FIT Program is available to all those who wish to participate in a standard offer type procurement process.</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> <hr/> <p>There will be no impact on open access to the distribution system.</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 license and code requirements, and will continue to be in compliance after completion of the proposed transaction or project.</p> <hr/> <p>The Applicant will be and will continue to be in compliance with any code requirements and will not exceed 10 MWs capacity as detailed in the <i>Ontario Energy Board Act, 1998</i>, S.71 (3). See section 2.1 below for further information.</p>	
-------	--	--

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	<p>Describe whether the proposed generation output will be primarily offered into the IAM, sold via bilateral contracts, or for own use.</p> <hr/> <p>Proposed generation output will be offered into the distribution grid and sold pursuant to FIT contract criteria.</p>	
-------	---	--

2.1.3	Provide a description of the generation including fuel source, technology used, maximum capacity output, typical number of hours of operation a year, and peaking versus base-load character. The generation will include Bio-Gas fuel source using an internal combustion engine producing a maximum capacity output of 1,731 MWh operating with a typical yearly number hours of 8,300.	
2.1.4	Provide details on whether the generation facility is expected to sign a “must run” contact with IESO. Not applicable.	
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. Not applicable.	

2.2 System Reliability

Section 2.2 must be completed by applicants who are claiming that the proposed transaction or projection is 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. Not applicable.	
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. Not applicable.	
2.2.3	Discuss the effect of the proposal on the security (ability of supply to respond to system contingencies) of supply. Not applicable.	
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. Not applicable.	

**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	Provide a description of the transmission or distribution system being acquired or constructed. <hr/> Not applicable	
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. <hr/> Not applicable.	
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. <hr/> Not applicable.	
3.1.4	Provide details on whether the generation facilities are expected to sign a “must run” contract with the IESO. <hr/> Not applicable.	

Attachment 1.1.2

Corporate Organization Chart – Entegrus Inc.

