

January 31, 2013

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

Dear Ms. Walli,

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

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 projects. In keeping with the fundamental principles of the Green Energy Act, 2009, Welland Hydro-Electric System Corp. is pursuing the development of renewable energy projects.

The renewable generation project that is subject to this Notice is a 10 kW solar PV ground mount generation system, which is anticipated to generate about 12,000kWh of power annually. This project is located at the 950 East Main St., Welland, Ontario, within the City of Welland municipal boundary.

If you have any further questions, please do not hesitate to contact me at 905-732-1381, extension 232 or rpeever@wellandhydro.com.

Sincerely,



Ross Peever
President & CEO
Welland Hydro-Electric System Corp.

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 WELLAND HYDRO ELECTRIC SYSTEM CORP. (WHESC)	File No: (Board Use Only)	
Address of Head Office 950 EAST MAIN ST. P.O. BOX 280 WELLAND, ONTARIO L3B 5P6	Telephone Number (905) 732-1381	
	Facsimile Number (905) 732-0266	
	E-mail Address rpeever@wellandhydro.com	
Name of Individual to Contact ROSS PEEVER PRESIDENT & CEO 950 EAST MAIN ST. P.O. BOX 280 WELLAND, ONTARIO L3B 5P6	Telephone Number (905)732-1381	
	Facsimile Number (905)732-0266	
	E-mail Address rpeever@wellandhydro.com	

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 N/A	
Address of Head Office N/A	Telephone Number N/A	
	Facsimile Number N/A	
	E-mail Address N/A	
Name of Individual to Contact N/A	Telephone Number N/A	
	Facsimile Number N/A	
	E-mail Address N/A	

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>See Schedule 1.2.1 Attached</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>See Schedule 1.2.2 Attached</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>WELLAND HYDRO HOLDING CORP. (WHHC)</u></p> <p>Is wholly owned by the city of Welland. WHHC is a holding company which owns 100% of each of two subsidiaries; namely, Welland Hydro-Electric System Corp. & Welland Hydro Energy Services Corp.</p> <p><u>WELLAND HYDRO-ELECTRIC SYSTEM CORP. (WHESC)</u></p> <p>Is wholly owned by Welland Hydro Holding Corp. It owns the assets associated with the distribution of electricity within the geographic territory described in its Electricity Distribution License, ED 2003-0002.</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>WHESC distribution territory is contiguous with the City of Welland municipal boundary. All the generation projects are within WHESC distribution territory.</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>40kW AC ground mount solar PV has generated 49,194kWh of energy and \$27,202 in revenue to December 10, 2012.</p> <p>The City of Welland 250kW rooftop solar PV connected to the grid on December 19, 2012 and does not have any year end figures at this time.</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>WHESC holds an Electricity Distribution Licence, ED 2003-0002.</p>	

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>The total generating capacity of Welland Hydro Electric System Corp and its affiliates is 0.29MW.</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>The share of production of the existing generation is insignificant in comparison with annual provincial primary electricity demand.</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 project involves a 10kW (AC or DC, whichever is the smallest) solar PV ground mount generation system to be owned by WHESC at 950 East Main St in Welland. WHESC has applied to the OPA for a micro-FIT contract.</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> <p>After completion of this project, the generation capacity will be 0.3MW.</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>It is anticipated that the 0.3MW of solar PV will generate about 360MWh of power annually. This amount is insignificant compared to the provinces 149.8(TWh) produced in 2011</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>It is anticipated that this project will have no material impact on competition. The small size of contribution is insignificant compared to the Ontario market. Also, this project is part of a competitive process through the OPA micro-FIT program that is available to all those who wish to participate.</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>The project will have no material impact on the open access to the distribution system due to its size and the fact that the OPA, in granting a FIT contract, considers available system capacity.</p>	
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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>The applicant isn't required to have a generation license since this application is for a project less than 500kW.</p> <p>The applicant is a licensed Distribution company in the province of Ontario. The province of Ontario, Green Energy Act authorizes Distributor's to own renewable Energy Assets, which solar PV is, in their Distribution companies. As such we will be compliant with applicable codes and licence requirements.</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	Describe whether the proposed generation output will be primarily offered into the IAM, sold via bilateral contracts, or for own use. The generation output is to connect to the distribution grid and solar to the OPA through the micro-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 generation is from photovoltaic cells. The maximum capacity output is 10kW. It is anticipated that approximately 12,000kWh per year will be generated.	
2.1.4	Provide details on whether the generation facility is expected to sign a “must run” contract with the IESO. Not applicable to this project.	
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 to this project.	

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	Provide reasons why the proposal is required to maintain the reliability of the transmission or distribution system. Provide supporting studies. Not applicable to this project.	
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 to this project.	
2.2.3	Discuss the effect of the proposal on the security (ability of supply to respond to system contingencies) of supply. Not applicable to this project.	

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 to this project.	
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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. Not applicable to this project.	
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. Not applicable to this project.	
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. Not applicable to this project.	
3.1.4	Provide details on whether the generation facilities are expected to sign a "must run" contract with the IESO. Not applicable to this project.	

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@ontarioenergyboard.ca

DIRECTORS AND OFFICERS AS AT JUNE 26, 2012

WELLAND HYDRO-ELECTRIC HOLDING CORP.

BOARD OF DIRECTORS/OFFICERS

TIM CLUTTERBUCK	-	DIRECTOR - CHAIR (term up AGM 2013)
MARIO FALVO	-	DIRECTOR - VICE CHAIR, TREASURER (term up AGM 2014)
ROSS PEEVER	-	PRESIDENT, CEO, SECRETARY
BARRY SHARPE	-	DIRECTOR

WELLAND HYDRO-ELECTRIC SYSTEM CORP.

BOARD OF DIRECTORS/OFFICERS

TIM CLUTTERBUCK	-	DIRECTOR - CHAIR (term up AGM 2013)
JOHN KWEKKEBOOM	-	DIRECTOR (term up AGM 2013)
ROSS PEEVER	-	DIRECTOR - PRESIDENT, CEO, SECRETARY
PAT CHIOCCHIO	-	DIRECTOR
PETER INMAN	-	DIRECTOR (term up AGM 2014)
MARIO FALVO	-	DIRECTOR-VICE-CHAIR- TREASURER – (term up AGM 2014)
BARRY SHARPE	-	ASSISTANT TREASURER

WELLAND HYDRO ENERGY SERVICES CORP.

BOARD OF DIRECTORS/OFFICERS

TIM CLUTTERBUCK	-	DIRECTOR – CHAIR (term up AGM 2013)
MARIO FALVO	-	DIRECTOR - VICE-CHAIR, TREASURER (term up AGM 2014)
ROSS PEEVER	-	DIRECTOR – PRESIDENT, CEO, SECRETARY
BARRY SHARPE	-	DIRECTOR

WELLAND WIFI CORP.

BOARD OF DIRECTORS/OFFICERS

TIM CLUTTERBUCK	-	DIRECTOR – CHAIR (term up AGM 2013)
MARIO FALVO	-	DIRECTOR - VICE-CHAIR, TREASURER (term up AGM 2014)
ROSS PEEVER	-	DIRECTOR – PRESIDENT, CEO, SECRETARY
BARRY SHARPE	-	DIRECTOR

WELLAND SOLAR CORP.

BOARD OF DIRECTORS/OFFICERS

TIM CLUTTERBUCK	-	DIRECTOR – CHAIR (term up AGM 2013)
MARIO FALVO	-	DIRECTOR - VICE-CHAIR, TREASURER (term up AGM 2014)
ROSS PEEVER	-	DIRECTOR – PRESIDENT, CEO, SECRETARY
BARRY SHARPE	-	DIRECTOR

