



Energizing Our Community

1913 - 2013

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September 13, 2013

Ontario Energy Board
P.O. Box 2319, 27th Floor
2300 Yonge Street
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms Walli:

Re: Section 80 Notice – 0.85 MW Solar PV Rooftop Projects

Please find enclosed the Preliminary Filing Requirements for a "Notice of Proposal under section 80 and 81 of the Ontario Energy Board Act, 1998" in respect to 2345997 Ontario Inc, a subsidiary of Orillia Power Generation Corporation (OPGC), Electricity Generator Licence Number EB-2003-0123.

2345997 Ontario Inc has entered into Feed-In-Tariff (FIT) Contracts with the Ontario Power Authority to construct and operate solar PV rooftop generating facilities with total capacity of 0.84 MW on properties owned by the City of Orillia. The facility will be owned by 2345997 Ontario Inc (the Applicant) and will be connected to the distribution system of Orillia Power Distribution Corporation (OPDC).

As an affiliate of OPDC, the Applicant, 2345997 Ontario Inc is required to give notice of its intent to acquire an interest in generation under section 80 of the Ontario Energy Board Act.

If there are any questions, please contact the undersigned.

Respectfully,

Keith McAllister
President & CEO
2345997 Ontario Inc.



360 West St. S., P.O. Box 398, Orillia ON L3V 6J9
info@orilliapower.ca www.orilliapower.ca
Keith McAllister, P.Eng. - President & Chief Executive Officer
Patrick J. Hurley, B.Math, CMA - Chief Financial Officer



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 2345997 Ontario Inc	File No: (Board Use Only)	
Address of Head Office 360 West Street South P.O. Box 398 Orillia, Ontario L3V 6J9	Telephone Number 705-326-7315	
	Facsimile Number 705-326-0800	
	Email Address info@orilliapower.ca	
Name of Individual to Contact Pat Hurley Chief Financial Officer Orillia Power Generation Corporation	Telephone Number 705-326-2495 extension 222	
	Facsimile Number 705-326-0800	
	Email Address phurley@orilliapower.ca	

1.1.2 Other Parties to the Transaction or Project

If more than one attach list

Name of Other Party	Board Use Only	
Address of Head Office	Telephone Number	
	Facsimile Number	
	Email Address	
Name of Individual to Contact	Telephone Number	
	Facsimile Number	
	Email Address	

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><u>PARTY</u></p> <p><u>2345997 Ontario Inc</u> Shareholder – Orillia Power Generation Corporation Keith McAllister, President & CEO, Director & Officer Pat Hurley, Chief Financial Officer, Director & Officer</p> <p><u>AFFILIATES OF THE PARTY</u></p> <p><u>Orillia Power Corporation</u> Shareholder – Corporation of the City of Orillia Larry Brooksbank, Chair, Board of Directors Ray Hayhurst, Vice-Chair, Board of Directors Aubrey Ford, Director Sandy Grant, Director Geoff Hewett, Director Greg Gee, Director Keith McAllister, President & CEO, Officer Pat Hurley, Chief Financial Officer, Officer</p>	
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	<p><u>Orillia Power Distribution Corporation</u> Shareholder – Orillia Power Corporation Larry Brooksbank, Chair, Board of Directors Ray Hayhurst, Vice-Chair, Board of Directors Tom Hussey, Director Keith McAllister, President & CEO – Officer Pat Hurley, Chief Financial Officer – Officer</p> <p><u>Orillia Power Generation Corporation</u> Shareholder – Orillia Power Corporation Keith McAllister, President & CEO, Director & Officer Pat Hurley, Chief Financial Officer, Officer</p> <p><u>2346002 Ontario Inc</u> Shareholder – Orillia Power Generation Corporation Keith McAllister, President & CEO, Director & Officer Pat Hurley, Chief Financial Officer, Director & Officer</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>Refer to Schedule 1.2.2</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 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> <p>2345997 Ontario Inc is wholly owned by Orillia Power Generation Corporation. It will own and operate the assets associated with the generation of electrical power as provided under a planned application for an Electricity Generation License.</p> <p>Orillia Power Corporation is wholly owned by the Corporation of the City of Orillia. It is a holding company that owns 100% of Orillia Power Distribution Corporation and Orillia Power Generation Corporation.</p> <p>Orillia Power Distribution Corporation is wholly owned by Orillia Power Corporation. It owns, operates and manages the assets associated with the distribution of electrical power within the geographic territory described in its Electricity Distribution License ED-2002-0530.</p> <p>Orillia Power Generation Corporation is wholly owned by Orillia Power Corporation. It owns and operates the assets associated with the generation of electrical power as provided under Electricity Generation License EG-2003-0123.</p> <p>2346002 Ontario Inc is wholly owned by Orillia Power Generation Corporation. It will own and operate the assets associated with the generation of electrical power as provided under a future application for an Electricity Generation License.</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>2345997 Ontario Inc will own three roof-top solar PV generating stations within the City of Orillia, embedded within the distribution service territory of Orillia Power Distribution Corporation, and operated by Orillia Power Generation Corporation.</p> <p>Orillia Power Distribution Corporation is a local distribution company (LDC) whose service territory is the City of Orillia.</p> <p>Orillia Power Generation Corporation owns and operates three hydroelectric generating stations situated within the Township of Severn, Minden Hills Township and the Town of Bracebridge, respectively, and embedded within the service territory of Hydro One Networks Inc. The company will own and operate one roof-top solar PV generating stations within the City of Orillia, embedded within the distribution service territory of Orillia Power Distribution Corporation.</p> <p>2346002 Ontario Inc has no assets and is not currently active.</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>Orillia Power Generation Corporation generated 66,760 MWh with sales of \$5,022K for fiscal year ending December 31, 2012.</p> <p>Orillia Power Distribution Corporation does not own any generation assets and did not generate any sales for fiscal year ending December 31, 2012.</p> <p>2345997 Ontario Inc did not generate any sales for fiscal year ending December 31, 2012.</p> <p>2346002 Ontario Inc did not generate any sales for fiscal year ending December 31, 2012.</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>Orillia Power Generation Corporation holds Electricity Generation License EG-2003-0123.</p> <p>Orillia Power Distribution Corporation holds Electricity Distribution License ED-2002-0530.</p> <p>2345997 Ontario Inc does not currently hold an Electricity Generation License.</p> <p>2346002 Ontario Inc does not currently hold an Electricity Generation License.</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>2345997 Ontario Inc does not currently own any electricity generation assets.</p>	
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	<p>Orillia Power Generation Corporation owns three hydroelectric generating stations with an aggregate capacity of 14.5 MW.</p> <p>2346002 Ontario Inc does not currently own any electricity generation assets.</p> <p>In total, Orillia Power Generation Corporation and its wholly-owned affiliates have a generating capacity equal to 14.5 MW prior to completion of the proposed project.</p> <p>Orillia Power Distribution Corporation does not own or operate any electricity generation assets.</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>In 2012, annual electricity consumption in the Province of Ontario was 141.3 TWh.</p> <p>2345997 Ontario Inc does not currently own any electricity generation assets.</p> <p>Orillia Power Generation Corporation generated 66,760 MWh in 2012, equal to 0.047% of the Annual Primary Demand.</p> <p>2346002 Ontario Inc does not currently own any electricity generation assets.</p> <p>In total, Orillia Power Generation Corporation and its wholly-owned affiliates hold market share estimated to equal 0.047% of the Annual Primary Demand within the Province of Ontario, based on actual annual MWh production prior to completion of the proposed projects.</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 Applicant proposes to build 3 rooftop solar PV generating stations, 500, 250 and 100 kW respectively, on property owned by the City of Orillia. The Applicant and the City of Orillia have put in place twenty year lease agreements with the option to extend.</p> <p>The projects will be located on or in 3 buildings owned by the City of Orillia, 100 University Ave., 2 Hunter Valley Rd. and 500 Atherley Rd., respectively.</p> <p>The Applicant has executed Feed-in-Tariff Contracts (FIT Contracts # F-003020-SPV-211-508, F-003021-SPV-211-508, and F-003022-SPV-211-507, respectively) with the Ontario Power Authority.</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>Orillia Power Generation Corporation owns three hydroelectric generating stations with an aggregate capacity of 14.5 MW and will own one solar PV generating station with a capacity of 0.12 MW.</p> <p>2345997 Ontario Inc will own three solar PV generating stations with an aggregate capacity of 0.85 MW.</p>	

	<p>2346002 Ontario Inc does not currently own any electricity generation assets.</p> <p>In total, Orillia Power Generation Corporation and its wholly-owned affiliates will have a generating capacity equal to 15.47 MW after the completion of the proposed projects.</p> <p>Orillia Power Distribution Corporation does not own or operate any electricity generation assets.</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>In 2012, annual electricity consumption in the Province of Ontario was 141.3 TWh.</p> <p>Orillia Power Generation Corporation's anticipated annual generation will equal 81,900 MWh, estimated equal to 0.058% of the Annual Primary Demand.</p> <p>2345997 Ontario Inc's anticipated annual generation will equal 970 MWh, estimated to equal less than 0.001% of the Annual Primary Demand.</p> <p>2346002 Ontario Inc does not currently own any electricity generation assets.</p> <p>In total, Orillia Power Generation Corporation and its wholly-owned affiliates will hold market share estimated to equal 0.059% of the Annual Primary Demand within the Province of Ontario, based on anticipated annual MWH production after completion of the proposed projects.</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>The proposed project will have no impact on competition. The project obtained an Offer Notice for a Feed-in-Tariff Contract with the Ontario Power Authority through an open and competitive process. The Ontario Power Authority continues to offer opportunities for competitive generation projects through the Feed-in-Tariff program and other generation procurement initiatives. The proposed project's electrical energy will comprise a small fraction of the overall provincial supply and will not impact upon energy wholesalers or retailers to offer competitive products.</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 proposed project will have no impact on open access to the distribution system of Orillia Power Distribution Corporation. Orillia Power Distribution Corporation is embedded in Hydro One Networks Inc.'s distribution system. The proposed project will have no impact on open access to the transmission or distribution system of its host distributor, Hydro One Networks Inc. Hydro One Networks Inc. continues to provide open access to their transmission and distribution systems, accept applications for connection of generation projects to their systems and allocate capacity in accordance with applicable regulations.</p>	

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	
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	<p>transaction or project.</p> <p>The Applicant hereby confirms that it is in compliance with all licence and code requirements, and will continue to be in compliance after completion of the proposed project.</p>	
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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> <p>Generation will be injected into the distribution system of Orillia Power Distribution Corporation and sold to the Ontario Power Authority pursuant to a FIT Contract.</p>	
2.1.3	<p>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.</p> <p>The generation is solar PV with an aggregate maximum capacity of 850 kW. Typically the facility will run approximately 1,200 hours per annum. Generation will typically run at all times through the year except in the case of repairs or scheduled maintenance. It is therefore base-load character versus peaking.</p>	
2.1.4	<p>Provide details on whether the generation facility is expected to sign a “must run” contract with the IESO.</p> <p>Not applicable.</p>	
2.1.5	<p>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.</p> <p>Not applicable.</p>	

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	<p>Provide reasons why the proposal is required to maintain the reliability of the transmission or distribution system. Provide supporting studies.</p>	
2.2.2	<p>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.</p>	
2.2.3	<p>Discuss the effect of the proposal on the security (ability of supply to respond to system contingencies) of supply.</p>	
2.2.4	<p>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.</p>	

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.	
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

Schedule 1.2.2

Orillia Power Corporate Chart

