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**George Vegh** 

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April 17, 2014

#### **VIA RESS AND COURIER**

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: Sombra Solar, LP Notice of Proposal under Section 80 of the *Ontario Energy Board Act*, 1998

We are counsel to Sombra Solar, Inc. and Sombra Solar, LP (the "**Applicant**"). Pursuant to a corporate reorganization, Sombra Solar, Inc. proposes to transfer its assets to Sombra Solar, LP. Please find enclosed a Notice of Proposal by the Applicant under Section 80 of the *Ontario Energy Board Act*, 1998 (the "**Notice**").

We request that communications regarding the Notice be directed to both the Applicant at the address provided in the Notice and to counsel at the address provided above.

Please do not hesitate to contact the undersigned with any questions regarding the foregoing.

Sincerely,

Signed in the original

George Vegh

GV/ha Enclosure

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## **Ontario Energy Board**

# Notice of Proposal under Sections 80 and 81 of the Ontario Energy Board Act, 1998 (the "OEB Act")

#### 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	File No: (Board Use Only)
Sombra Solar, LP	
Address of Head Office	Telephone Number
	416-364-9714
390 Bay Street, Suite 1720	Facsimile Number
Toronto, ON M5H 2Y2	416-364-2533
	E-mail Address
	catherine.mitchell@nexteraenergy.com
Name of Individual to Contact	Telephone Number
	561-304-5785
Catherine Mitchell	Facsimile Number
	561-304-5161
	E-mail Address catherine.mitchell@nexteraenergy.com

#### 1.1.2 Other Parties to the Transaction or Project

Name of Applicant	File No: (Board Use Only)	
Sombra Solar GP, ULC		
Address of Head Office	Telephone Number	
	416-364-9714	

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390 Bay Street, Suite 1720 Toronto, ON M5H 2Y2	Facsimile Number 416-364-2533
	E-mail Address catherine.mitchell@nexteraenergy.com
Name of Individual to Contact	<b>Telephone Number</b> 561-304-5785
Catherine Mitchell	Facsimile Number 561-304-5161
	E-mail Address catherine.mitchell@nexteraenergy.com

Name of Other Party	File No: (Board Use Only)
St. Clair Solar, LP	
Address of Head Office	Telephone Number
	416-364-9714
390 Bay Street, Suite 1720	Facsimile Number
Toronto, ON M5H 2Y2	416-364-2533
	E-mail Address
	catherine.mitchell@nexteraenergy.com
Name of Individual to Contact	Telephone Number
	561-304-5785
Catherine Mitchell	Facsimile Number
	561-304-5161
	E-mail Address
	catherine.mitchell@nexteraenergy.com

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#### 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.

Sombra Solar, LP has no directors or officers. The holders of its partnership interests are Sombra Solar GP, ULC, its general partner and St. Clair Solar, LP. St. Clair Solar, LP has no directors or officers. Below are lists of officers and directors of Sombra Solar GP, ULC:

#### Officers:

Name	Title
Michael O'Sullivan	President
Amy Black	Vice President
Paul I. Cutler	Vice President
Rebecca J. Kujawa	Vice President
Manuel A. Sanchez	Vice President
Matthew Schafer	Vice President
Gregory Schneck	Vice President
Brian Tobin	Vice President
Mark Tourangeau	Vice President
F. Allen Wiley	Vice President
Kathy A. Beilhart	Treasurer
Melissa A. Plotsky	Secretary
Daniel Lotano	Assistant Treasurer
Aldo Portales	Assistant Treasurer

#### **Directors:**

Name
Mitchell S. Ross
Michael O'Sullivan

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.

Chart describing relationship between parties and their Electricity Sector Affiliates:

Please see corporate chart attached as Appendix "A".

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#### 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").

Sombra Solar, Inc., was established for the purpose of owning and operating the Sombra Solar Energy Centre ("SSEC"). As a result of a corporate reorganization, Sombra Solar, Inc. proposes to transfer its assets to Sombra Solar, LP. Hereinafter, we refer to both Sombra Solar, Inc. and Sombra Solar, LP as the "Applicant".

Sombra Solar GP, ULC is the general partner of Sombra Solar, LP, and St. Clair Solar, LP is the limited partner of Sombra Solar, LP.

The Applicant was successful in obtaining a power purchase agreement with the Ontario Power Authority ("**OPA**") under the OPA's RESOP program for the energy generated by the MSEC. The SSEC is a 20 MW solar power generating facility that is located in Lambton County. The Applicant is the licenced owner and operator of the facility.

#### **Electricity Sector Affiliates**

Conestogo Wind, LP, a licensed generator under the *OEB Act*, is an affiliate of the Applicant. Conestogo Wind, LP was established for the development, construction and ownership of the Conestogo Wind Energy Centre located in Wellington County.

Summerhaven Wind, LP, a licensed generator under the *OEB Act,* is an affiliate of the Applicant. Summerhaven Wind, LP was established for the development, construction and ownership of the Summerhaven Wind Energy Centre located in Haldimand County.

Moore Solar, Inc. is also an affiliate of the Applicant and a licensed generator under the *OEB Act*, and owns and operates the Moore Solar Energy Centre. The Moore Solar Energy Centre is located in Lambton County.

Varna Wind, Inc., a licensed generator under the *OEB Act*, is an affiliate of the Applicant. Varna Wind, Inc. was established for the development, construction and ownership of the Bluewater Wind Energy Centre located in Huron County.

Bornish Wind, LP, a licensed generator under the *OEB Act*, is an affiliate of the Applicant. Bornish Wind, Inc. was established for the development, construction and ownership of the Bornish Wind Energy Centre located in Middlesex County.

Kerwood Wind, Inc., a licensed generator under the *OEB Act*, is an affiliate of the Applicant. Kerwood Wind, Inc. was established for the development, construction and ownership of the Adelaide Wind Energy Centre located in Middlesex County.

NextEra Energy Canadian Operating Services Inc. ("NextEra OSI"), is a licenced electricity generator (EG-2012-0311) under the OEB Act. Under its licence, NEC OSI is currently authorized as an operator in respect of the Conestogo Wind Energy Centre, the Summerhaven Wind Energy Centre, the Bornish Wind Energy Centre, the Adelaide Wind Energy Centre and the Bluewater Wind Energy Centre. NEC OSI has applied for an amendment to its licence so that it may be authorized as the operator in respect of the

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East Durham Wind Energy Centre. The Applicant is also affiliated with NextEra Energy Power Marketing, LLC ("NextEra EPM"), a licensed wholesaler under the OEB Act. NextEra EPM is in the business of scheduling physical power, purchasing and selling physical and financial energy commodities. 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. The SSEC is located in Lambton County in the township of Sombra. The electricity generated is flowed to the Hydro One distribution system and the IESO-controlled grid, therefore no particular service territory exists for the SSEC. The Conestogo Wind Energy Centre is located in Wellington County, in the area of Arthur, Ontario. The electricity generated is flowed to Hydro One's distribution system, therefore no particular service territory exists for the Conestogo Wind Energy Centre. The Summerhaven Wind Energy Centre is located in Haldimand County, along the shores of Lake Erie from the town of Jarvis to Nelles Corners, south of Highway 3. The power generated by Summerhaven Wind Energy Centre flows to the IESO-controlled grid, therefore no particular service territory exists for the Summerhaven Project. The Moore Solar Energy Centre is located in the township of Moore, Ontario. The power generated by the Moore Solar Energy Centre flows to Hydro One's distribution system, therefore no particular service territories exists for this project. The Bluewater Wind Energy Centre (BWEC) is located in Huron County, Ontario in the municipalities of East Durham and Huron East, along the shore of Lake Huron south of the town of Bayfield to north of Zurich, east of Highway 21. The electricity generated is flowed to the IESO-controlled grid, therefore no particular service territory exists for the BWEC. The Bornish Wind Energy Centre is located in Middlesex County. The power generated by Bornish Wind Energy Centre flows to the IESO-controlled grid, therefore no particular service territory exists for the Bornish Project. The Adelaide Wind Energy Centre is located in Middlesex County. The power generated by Adelaide Wind Energy Centre flows to the IESO-controlled grid, therefore no particular service territory exists for the Adelaide Project. NextEra EPM does not have a geographic service territory.

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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. Applicant: Sombra Solar, Inc. Total 2013 revenue \$CAD \$13,362,179.23 Total MWh 31,814.71249 **Electricity Sector Affiliates of Applicant:** Conestogo Wind, LP Annual Sales C\$: \$8,424,386 (2013) MWh: 59,976 (2013) Summerhaven Wind, LP Annual Sales C\$: \$17,624,906 (2013) MWh: 127,695 (2013) \* Note: Commercial operation reached in August 2013; Fiscal year end was December 31, 2013 Moore Solar, Inc. Total 2013 revenue \$CAD \$13,074,297.77 Total MWh 31,129.28041 Varna Wind, Inc. Data not available. Commercial operation not yet reached. Bornish Wind, LP Data not available. Commercial operation not yet reached. Kerwood Wind, Inc. Data not available. Commercial operation not yet reached. 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.

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#### Applicant:

Electricity Generation License EG-2011-0022

#### **Electricity Sector Affiliates of Applicant:**

- NextEra Canadian Operating Services Inc.: Electricity Generation License EG-2012-0311;
- Conestogo Wind, LP: Electricity Generation License EG-2012-0312;
- Summerhaven Wind, LP: Electricity Generation License EG-2012-0474;
- NextEra Energy Power Marketing, LLC: Electricity Wholesaler License EW-2014-0013;
- Moore Solar, Inc.: Electricity Generation License EG-2011-0023;
- Varna Wind, Inc.: Electricity Generation License EG-2014-0011; Leave to construct electricity transmission facilities granted by Board Decision and Order issued November 4, 2013 (EB-2012-0442).
- Kerwood Wind, Inc.: Electricity Generation License EG-2013-0433; Leave to construct electricity transmission facilities granted by Board Decision and Order issued November 12, 2013 (EB-2013-0040 and EB-2013-0041).
- Bornish Wind, LP: Electricity Generation License EG-2013-0431; Leave to construct electricity transmission facilities granted by Board Decision and Order issued November 12, 2013 (EB-2013-0041).

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## 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.	
	The SSEC has a capacity of 20 MW.	
	The Conestogo Wind Energy Centre has a capacity of 22.92 MW. The Summerhaven Wind Energy Centre has a capacity of 124.4 MW.	
	The Moore Solar Energy Centre has a capacity of 20 MW.	
	The Bluewater Wind Energy Centre will have a capacity of 59.9 MW, the Bornish Wind Energy Centre will have a capacity of 72.9 MW, and the Adelaide Wind Energy Centre will have a capacity of 59.9 MW.	
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.	
	The output from the Conestogo Wind Energy Centre, Summerhaven Wind Energy Centre, Moore Solar Energy Centre and SSEC represents a nominal percentage of the Annual Primary Demand.	

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## 1.5 Description of the Proposed Transaction or Project and Impact on Competition - General

4 5 4	Attack a detailed description of the property transaction an analysis to the first	
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 SSEC is a 20 MW solar PV generation facility directly connected to Hydro One Network Inc.'s distribution system. As indicated above, as a result of a corporate reorganization, Sombra Solar, Inc. proposes to transfer its assets to Sombra Solar, LP.	
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 SSEC has a nameplate generation capacity of approximately 20 MW.	
	The Conestogo Wind Energy Centre has a capacity of 22.92 MW, the Summerhaven Wind Energy Centre has a capacity of 124.4 MW, and the Moore Solar Energy Centre has a capacity of 20 MW.	
	The Bluewater Wind Energy Centre will have a capacity of 59.9 MW, the Bornish Wind Energy Centre will have a capacity of 72.9 MW, and the Adelaide Wind Energy Centre will have a capacity of 59.9 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.	
	According to IESO market data, the total electricity consumption for 2013 reached 140.7 TWh, down from 141.3 in 2012.	
	The output from the SSEC represents a nominal percentage of the Annual Primary Demand.	
	The output from the Conestogo Wind Energy Centre, Summerhaven Wind Energy Centre and Moore Solar Energy Centre represents a nominal percentage of the Annual Primary Demand.	
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.	
	The SSEC will make use of available grid capacity, and will have no impact on competition since (a) the Applicant has entered into a fixed-price power purchase agreement with the OPA, and (b) the SSEC is financed by the Applicant as opposed to	

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	directly by rate payers.  The SSEC does not affect the choice of consumers since power generated from the SSEC is being flowed to the IESO-controlled grid for general consumption.	
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 SSEC does not affect open access requirements.	

## 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.	
	The Applicant confirms that, to the best of its knowledge, it is and will continue to be in compliance with all licence and code requirements.	

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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	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 supplied to the Ontario Power Authority pursuant to a contract under the Ontario Power Authority's RESOP 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 facility is a 20 MW solar PV facility. The facility can be classified as variable base-load generation. The MWhs for the facility in 2013 was 31,814.71249.	
2.1.4	Provide details on whether the generation facility is expected to sign a "must run" contract with the IESO.  The Sombra Solar Energy Centre is not expected to be a "must-run" facility.	
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 Sombra Solar Energy Centre is not expected to serve a load pocket or to be "constrained on" due to transmission 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.

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.	

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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.	

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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.

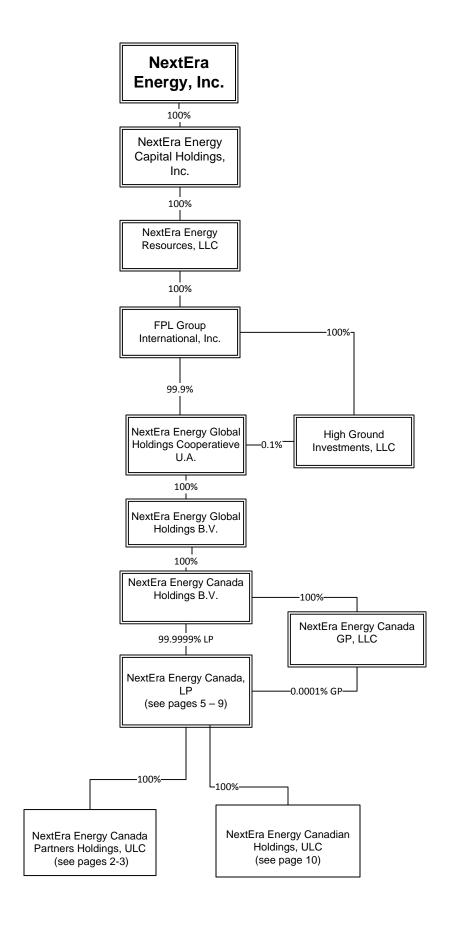
This section is not applicable.

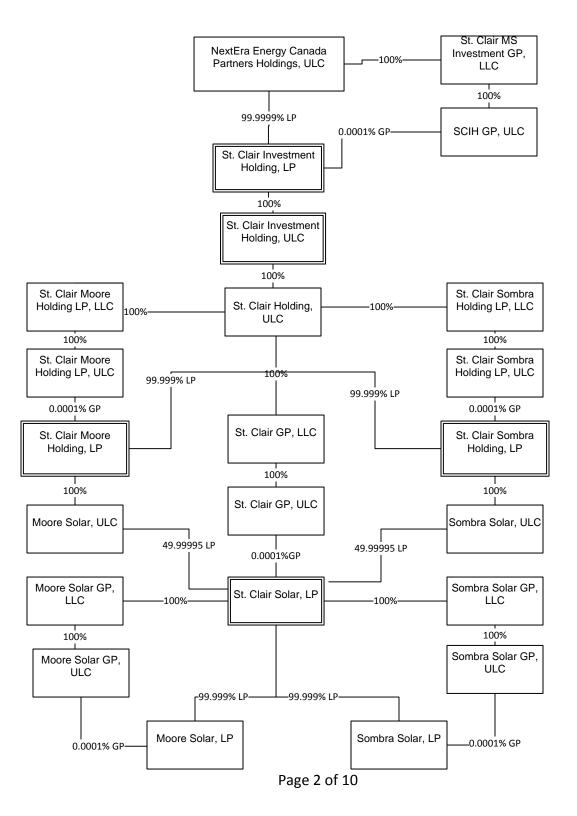
#### 3.1 Effect on Competition

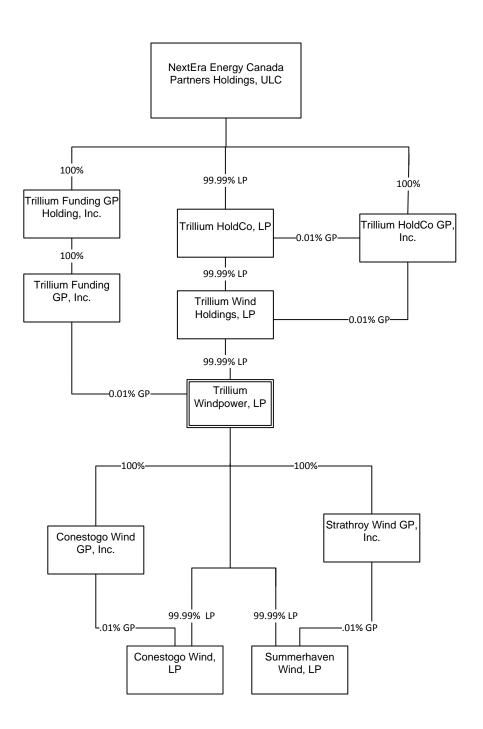
3.1.1	Provide a description of the transmission or distribution system being acquired or constructed.	
3.1.2	Provide details on whether the generation facilities owned by the acquiring company are or will be directly connected to the transmission or distribution system being acquired or constructed.	
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 "mustrun" contract with the IESO.	

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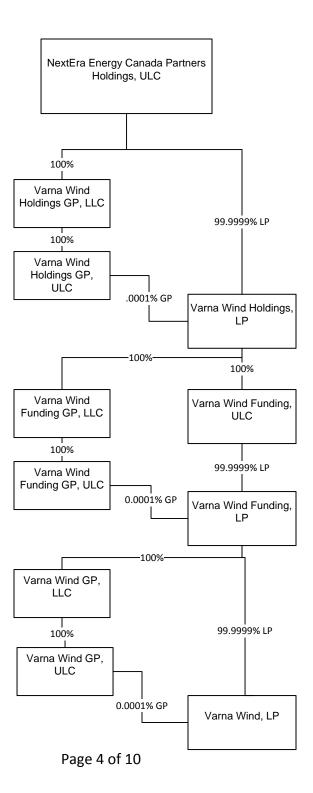
## Appendix "A" - Corporate Chart

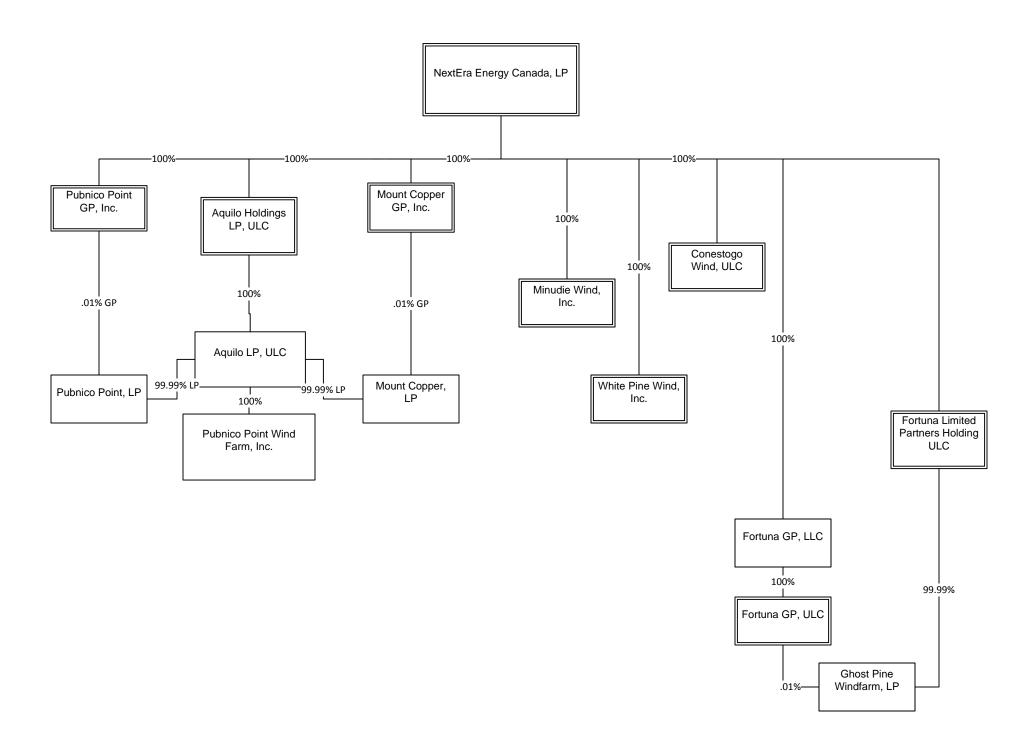




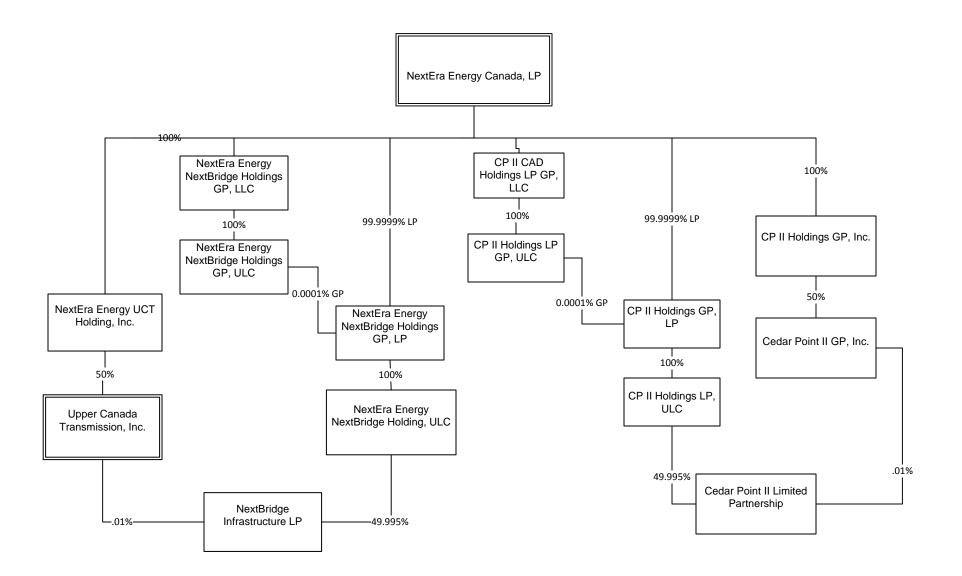


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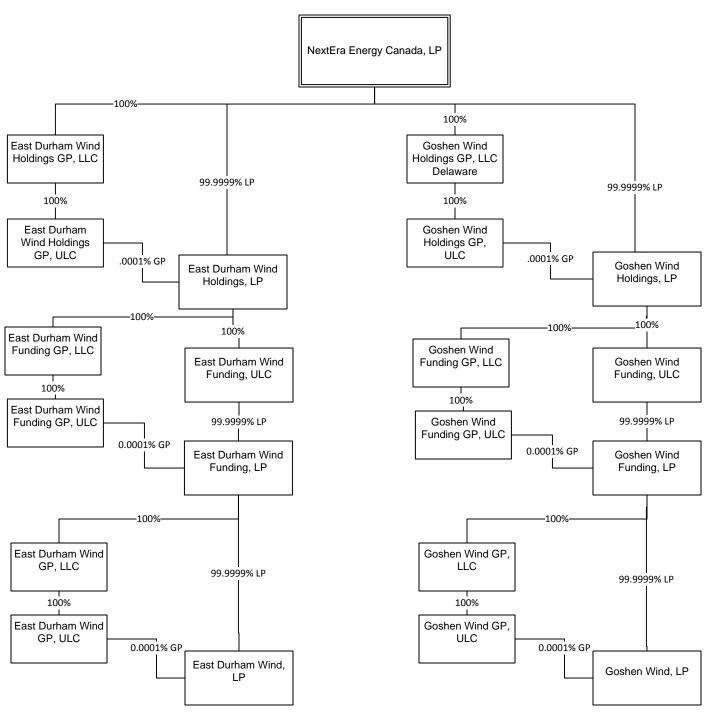




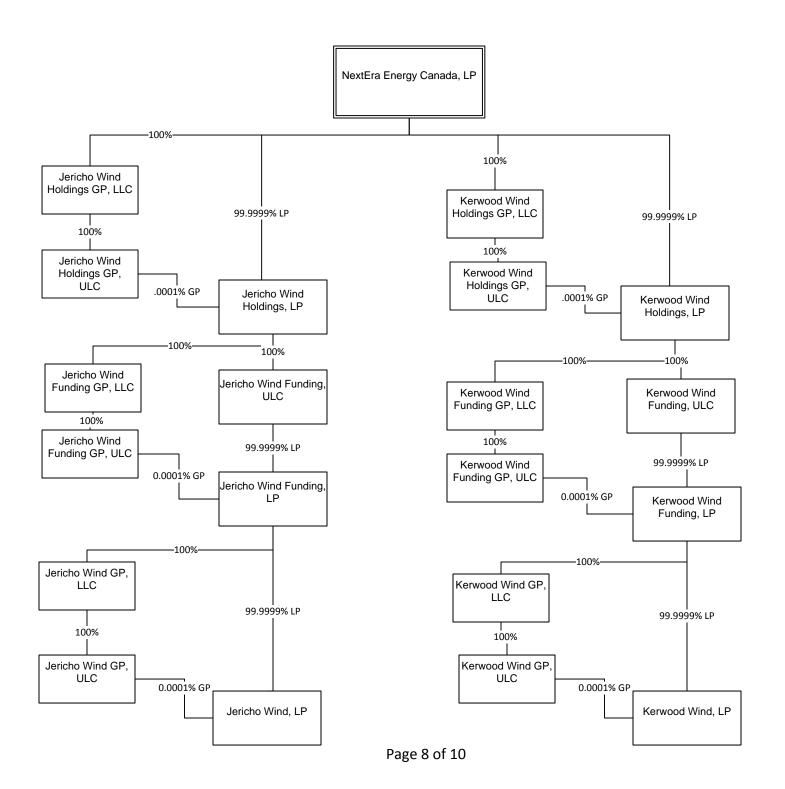
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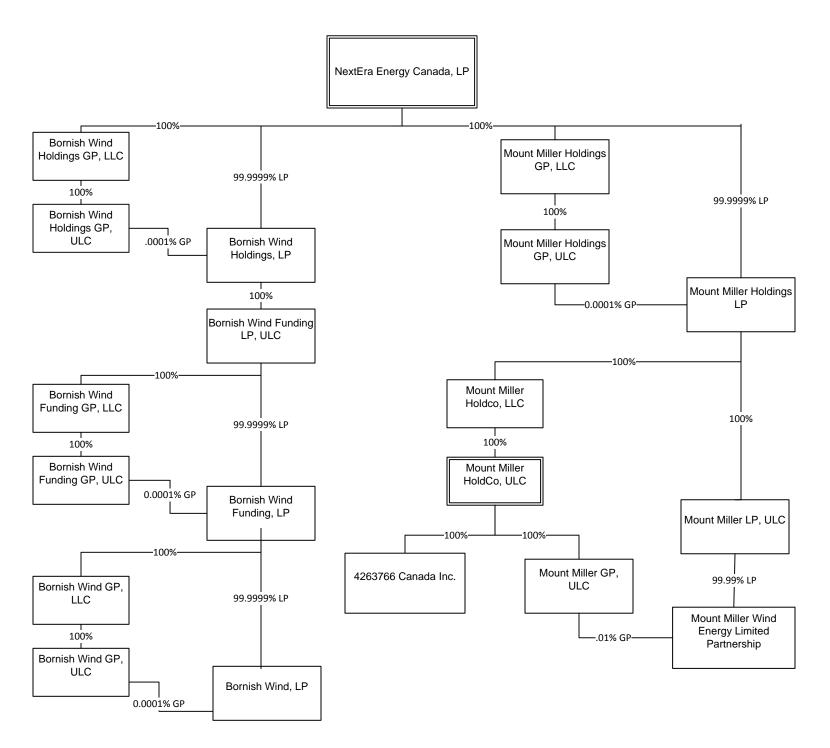


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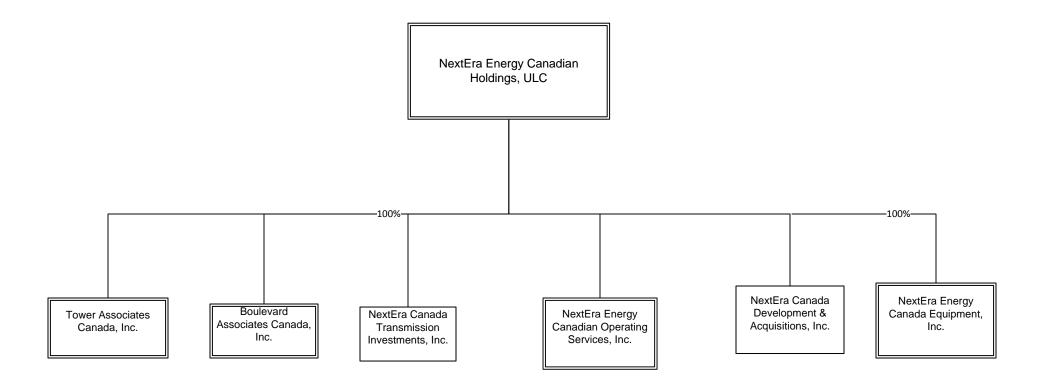


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