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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: Kerwood Wind, LP Notice of Proposal under Section 80/81 of the *Ontario Energy Board Act, 1998*

We are counsel to Kerwood Wind, Inc. and Kerwood Wind, LP (the "**Applicant**"). Pursuant to a corporate reorganization, Kerwood Wind, Inc. proposes to transfer its assets to Kerwood Wind, LP. Please find enclosed a Notice of Proposal by the Applicant under Section 80/81 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

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 Kerwood Wind, LP	File No: (Board Use Only)	
Address of Head Office 390 Bay Street, Suite 1720 Toronto, ON M5H 2Y2	Telephone Number 416-364-9714	
	Facsimile Number 416-364-2533	
	E-mail Address adelaide.wind@nexteraenergy.com	
Name of Individual to Contact Benjamin Greenhouse	Telephone Number 561-364-9714	
	Facsimile Number 561-364-2533	
	E-mail Address ben.greenhouse@nexteraenergy.com	

1.1.2 Other Parties to the Transaction or Project

Name of Other Party Kerwood Wind GP, ULC	File No: (Board Use Only)	
Address of Head Office	Telephone Number 416-364-9714	

390 Bay Street, Suite 1720 Toronto, ON M5H 2Y2	Facsimile Number 416-364-2533	
	E-mail Address adelaide.wind@nexteraenergy.com	
Name of Individual to Contact Benjamin Greenhouse	Telephone Number 561-364-9714	
	Facsimile Number 561-364-2533	
	E-mail Address ben.greenhouse@nexteraenergy.com	

Name of Other Party Kerwood Wind Funding, LP	File No: (Board Use Only)	
Address of Head Office 390 Bay Street, Suite 1720 Toronto, ON M5H 2Y2	Telephone Number 416-364-9714	
	Facsimile Number 416-364-2533	
	E-mail Address adelaide.wind@nexteraenergy.com	
Name of Individual to Contact Benjamin Greenhouse	Telephone Number 561-364-9714	
	Facsimile Number 561-364-2533	
	E-mail Address ben.greenhouse@nexteraenergy.com	

1.2 Relationship between Parties to the Transaction or Project

<p>1.2.1</p>	<p><i>Attach a list of the officers, directors and shareholders of each of the parties to the proposed transaction or project.</i></p> <p>Kerwood Wind, LP has no directors or officers. The holders of its partnership interests are Kerwood Wind GP, ULC, its general partner and Kerwood Wind Funding, LP. Kerwood Wind Funding, LP has no directors or officers. Below are lists of officers and directors of Kerwood Wind GP, ULC:</p> <p>Officers:</p> <table border="1" data-bbox="334 730 992 1136"> <thead> <tr> <th>Name</th> </tr> </thead> <tbody> <tr> <td>Michael O'Sullivan (President)</td> </tr> <tr> <td>Tom Broad (Vice President)</td> </tr> <tr> <td>John DiDonato</td> </tr> <tr> <td>F. Allen Wiley</td> </tr> <tr> <td>Brian Tobin</td> </tr> <tr> <td>Matthew Schafer</td> </tr> <tr> <td>Rebecca J. Kujawa</td> </tr> <tr> <td>Mark Tourangeau</td> </tr> <tr> <td>Kathy A. Beilhart (Treasurer)</td> </tr> <tr> <td>Melissa A. Plotsky (Secretary)</td> </tr> </tbody> </table> <p>Directors:</p> <table border="1" data-bbox="334 1255 992 1367"> <thead> <tr> <th>Name</th> </tr> </thead> <tbody> <tr> <td>Mitchell S. Ross</td> </tr> <tr> <td>Michael O'Sullivan</td> </tr> </tbody> </table>	Name	Michael O'Sullivan (President)	Tom Broad (Vice President)	John DiDonato	F. Allen Wiley	Brian Tobin	Matthew Schafer	Rebecca J. Kujawa	Mark Tourangeau	Kathy A. Beilhart (Treasurer)	Melissa A. Plotsky (Secretary)	Name	Mitchell S. Ross	Michael O'Sullivan
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<p>1.2.2</p>	<p><i>Attach a corporate chart describing the relationship between each of the parties to the proposed transaction or project and each of their respective affiliates.</i></p> <p>Chart describing relationship between parties and their Electricity Sector Affiliates:</p> <p>Please see corporate chart attached as Appendix "A".</p>														

1.3 Description of the Businesses of Each of the Parties

1.3.1	<p><i>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”).</i></p>	
	<p>Kerwood Wind, Inc., was established for the purpose of developing, constructing and operating the Adelaide Wind Energy Centre (“AWEC”). As a result of a corporate reorganization, Kerwood Wind, Inc. proposes to transfer its assets to Kerwood Wind, LP. Hereinafter, we refer to both Kerwood Wind, Inc. and Kerwood Wind, LP as the “Applicant”.</p> <p>Kerwood Wind GP, ULC is the general partner of the Kerwood Wind, LP, and Kerwood Wind Funding, LP, is the limited partner of Varna Wind, LP.</p> <p>The Applicant was successful in obtaining a power purchase agreement with the Ontario Power Authority (“OPA”) under the OPA’s feed-in-tariff program for the energy generated by the AWEC. The AWEC is a proposed 59.9 MW wind generation facility in Middlesex County. The Applicant will be the licenced owner of the facility, and NextEra Energy Canadian Operating Services Inc. (“NextEra OSI”), an affiliate of the Applicant, will be the licenced operator of the facility.</p> <p><i>Electricity Sector Affiliates</i></p> <p>Conestogo Wind, LP, a licensed generator under the <i>OEB Act</i>, 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.</p> <p>Summerhaven Wind, LP, a licensed generator under the <i>OEB Act</i>, 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.</p> <p>Sombra Solar, Inc. and Moore Solar, Inc., also affiliates of the Applicant and licensed generators under the <i>OEB Act</i>, own and operate the Sombra Solar Energy Centre and Moore Solar Energy Centre, respectively. The Sombra Solar Energy Centre and Moore Solar Energy Centre are located in Lambton County.</p> <p>Varna Wind, Inc., a licensed generator under the <i>OEB Act</i>, 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.</p> <p>Bornish Wind, LP, a licensed generator under the <i>OEB Act</i>, 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.</p> <p>NextEra OSI is a licenced electricity generator (EG-2012-0311) under the <i>OEB Act</i>. 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</p>	

	<p>authorized as the operator in respect of the East Durham Wind Energy Centre.</p> <p>The Applicant is also affiliated with NextEra Energy Power Marketing, LLC (“NextEra EPM”), a licensed wholesaler under the <i>OEB Act</i>. NextEra EPM is in the business of scheduling physical power, purchasing and selling physical and financial energy commodities.</p>	
1.3.2	<p><i>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.</i></p>	
	<p>Kerwood Wind, LP’s AWEC will be located in Middlesex County. The electricity generated will be flowed to the IESO-controlled grid, therefore no particular service territory will exist for the AWEC.</p> <p>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.</p> <p>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.</p> <p>The Sombra Solar Energy Centre and the Moore Solar Energy Centre are located in the township of Sombra, Ontario, and Moore, Ontario, respectively. The power generated by the Sombra Solar Energy Centre and the Moore Solar Energy Centre flows to Hydro One’s distribution system, therefore no particular service territories exist for these projects.</p> <p>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.</p> <p>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.</p> <p>NextEra EPM does not have a geographic service territory.</p>	
1.3.3	<p><i>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.</i></p>	
	<p><i>Applicant:</i></p> <p>The Applicant does not yet have generation capacity in Ontario and accordingly, cannot</p>	

	<p>provide a breakdown of annual sales.</p> <p>Electricity Sector Affiliates of Applicant:</p> <p><u>Conestogo Wind, LP</u> Annual Sales C\$: \$8,424,386 (2013) MWh: 59,976 (2013)</p> <p><u>Summerhaven Wind, LP</u> 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</p> <p><u>Moore Solar, Inc.</u> Total 2013 revenue \$CAD \$13,074,297.77 Total MWh 31,129.28041</p> <p><u>Sombra Solar, Inc.</u> Total 2013 revenue \$CAD \$13,362,179.23 Total MWh 31,814.71249</p> <p><u>Varna Wind, Inc.</u> Data not available. Commercial operation not yet reached.</p> <p><u>Bornish Wind, LP</u> Data not available. Commercial operation not yet reached.</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>Applicant:</p> <ul style="list-style-type: none"> • 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). <p>Electricity Sector Affiliates of Applicant:</p> <ul style="list-style-type: none"> • NextEra Canadian Operating Services Inc.: Electricity Generation License EG- 	

	<p>2012-0311;</p> <ul style="list-style-type: none">• 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;• Sombra Solar, Inc.: Electricity Generation License EG-2011-0022;• 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).• 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).• East Durham Wind, Inc.—Applications for electricity generation licence and proposal under section 80/81 OEB Act submitted on March 20, 2014	
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1.4 Current Competitive Characteristics of the Market

1.4.1	<p><i>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.</i></p>	
	<p>Prior to completion of the project, the Applicant will have no generation capacity in Ontario.</p> <p>The Conestogo Wind Energy Centre has a capacity of 22.92 MW.</p> <p>The Summerhaven Wind Energy Centre has a capacity of 124.4 MW.</p> <p>The Sombra Solar Energy Centre and Moore Solar Energy Centre each have a capacity of 20 MW.</p> <p>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 East Durham Wind Energy Centre will have a capacity of 23 MW.</p>	
1.4.2	<p><i>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.</i></p>	
	<p>Prior to the completion of the AWEC, the Applicant will have zero percent market share.</p> <p>The output from the Conestogo Wind Energy Centre, Summerhaven Wind Energy Centre, Sombra Solar Energy Centre and Moore Solar Energy Centre represents a nominal percentage of the Annual Primary Demand.</p>	

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

1.5.1	<p><i>Attach a detailed description of the proposed transaction or project, including geographic locations of proposed new transmission or distribution systems, or new generation facilities.</i></p>	
	<p>The Adelaide Wind Energy Centre will include 37 General Electric 1.62 MW wind turbine generators, for a total installed capacity of 59.9 MW, on privately-owned agricultural lots in the Municipality of Adelaide-Metcalfe, in Middlesex County. The project will also include the Adelaide Collection Substation (ACS), which will be located on Part Lot 7, Concession 3 in the Township of Adelaide Metcalfe, which is on the east side of Kerwood Road between Langan Drive and Cuddy Drive. The station will have an area of approximately 2 acres. At the ACS, the electricity conveyed from the Project's collector system will be transformed from 34.5 kV to 115 kV by means of a 115/34.5 kV, 51/68/85 MVA transformer. From ACS, an approximately 10.8 km single circuit 115 kV transmission line will run north along Kerwood Road until it connects into the Bornish Customer Switching Station (BCSS), at which electricity conveyed from each of the Bornish Wind Energy Centre, the Adelaide Wind Energy Centre and the Jericho Wind Energy Centre will converge.</p> <p>The BCSS will have an area of approximately 1.5 acres and will consist of a four breaker ring bus. From the BCSS, a three phase single circuit 115 kV transmission line, approximately 12.6 km in length, will run north along Kerwood Road and then east along Elginfield Road, continuing along Nairn Road until a point just west of the intersection of Nairn Road and Macintosh, at which point it crosses over Nairn Road and connects into the planned Parkhill Customer Transformer Station (Parkhill CTS). The Parkhill CTS is a planned 500 kV transformer station that will be located on Part Lot 18, Concession 17 in the Municipality of North Middlesex. The station will have an area of approximately 13 acres. At the Parkhill CTS, the electricity transmitted from the Bornish CSS along the transmission line will be transformed from 115 kV to 500 kV by means of two 500/115 kV 135/180/225 MVA transformers. The 500 kV bus at Parkhill CTS will in turn be connected by means of a single circuit, 500 kV transmission line of less than 100 m in length to the adjacent Evergreen Switching Station (Evergreen SS), which will be constructed, owned and operated by Hydro One Networks Inc. Evergreen SS will consist of a 500 kV 3-breaker ring bus that will split Hydro One's existing 500 kV circuit B562L from Bruce A TS to Longwood TS into two sections: Bruce A TS x Evergreen SS and Evergreen SS x Longwood TS. This sectionalizing will occur approximately 36.5 km from Longwood TS, near tower #563 on Hydro One's existing circuit B562L. Parkhill CTS and Evergreen SS will be located adjacent to Hydro One's existing circuit B562L. Parkhill CTS and Evergreen SS will be located adjacent to Hydro One's exiting transmission right-of-way for circuit B562L.</p>	
1.5.2	<p><i>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.</i></p>	
	<p>Once complete, the AWEC will have a nameplate generation capacity of approximately 59.9 MW.</p> <p>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 Sombra Solar Energy Centre</p>	

	<p>and Moore Solar Energy Centre each have a capacity of 20 MW.</p> <p>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 East Durham Wind Energy Centre will have a capacity of 23 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>	
	<p>According to IESO market data, the total electricity consumption for 2013 reached 140.7 TWh, down from 141.3 in 2012.</p> <p>The output from the AWEC will represent a nominal percentage of the Annual Primary Demand.</p> <p>The output from the Conestogo Wind Energy Centre, Summerhaven Wind Energy Centre, Sombra Solar Energy Centre and Moore Solar Energy Centre represents a nominal percentage of the Annual Primary Demand.</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 make use of available capacity on the IESO-controlled grid and will have no impact on competition. The Applicant will be supplying energy from the project pursuant to a power purchase agreement from the OPA. Moreover, the Adelaide Wind Energy Centre, including its related collection system and transmission facilities will be paid for by the Applicant and not by ratepayers. The electricity generated by the project will flow directly to the IESO-controlled grid and will not impact customer choice regarding generation, wholesalers or retailers.</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 EDWEC does not affect open access requirements.</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 licence and code requirements, and will continue to be in compliance after completion of the proposed transaction or project.</p>	
	<p>The Applicant confirms that, to the best of its knowledge, it is and will continue to be in</p>	

	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	<p>Describe whether the proposed generation output will be primarily offered into the IAM, sold via bilateral contracts, or for own use.</p> <p>The proposed generation output will be supplied to the Ontario Power Authority pursuant to a contract under the Ontario Power Authority's Feed-in Tariff Program.</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 facility will be a wind generation facility comprised of 37 General Electric 1.62 MW wind turbine generators, for a total installed capacity of 59.9 MW. The facility can be classified as variable base-load generation. Based on an estimation that the facility will be in operation 70-80% of the time, it is estimated that it will typically be in operation for 6000-7000 hours per year.</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>The AWEC is not expected to be a "must-run" facility.</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>The AWEC is not expected to serve a load pocket or to be “constrained on” due to transmission constraints.</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.

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.	
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.	

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	<i>Provide a description of the transmission or distribution system being acquired or constructed.</i>	
	Please see section 1.5.1.	
3.1.2	<i>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.</i>	
	Please see section 1.5.1.	
3.1.3	<i>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.</i>	
	The EDWEC is not expected to serve a load pocket, nor is the EDWEC expected to be constrained on due to transmission constraints.	
3.1.4	<i>Provide details on whether the generation facilities are expected to sign a “must-run” contract with the IESO.</i>	
	The EDWEC is not expected to sign a “must-run” contract with the IESO.	

Appendix "A" – Corporate Chart



















