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May 15, 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: Leave to transfer electricity generation licences:

EB-2014-0168 – Sombra Solar, Inc. (EG-2011-0022)
EB-2014-0170 – Moore Solar, Inc. (EG-2011-0023)
EB-2014-0172 – Varna Wind, Inc. (EG-2014-0011)
EB-2014-0179 – Kerwood Wind, Inc. (EG-2013-0433)
EB-2014-0142 – East Durham Wind, Inc. (generation licence not yet issued)

We are counsel for the above-noted Applicants.

As you are aware, each of the above-noted applications (the “Applications”) requests the Board’s leave to transfer the above-noted generation licences (with the exception of the pending East Durham generation licence application in respect of which an amendment has been filed). The Applications each advised that the transfers result from a proposed re-organization that will transfer assets from the licenced corporations to limited partnerships.

Under cover of letter dated May 5, 2014, the Applicants provided the Board with correspondence from the Ontario Power Authority (the “OPA”) confirming that it was reviewing the transfer of the procurement contracts in respect of each of the generation facilities (the “Generation Facilities”).

By letter dated May 12, 2014, the Board advised that it will proceed with the Applications once it has received the OPA’s final determination of its review.

The Applicants appreciate that the OEB will not permit the transfer of the generation licences without the transfer of the procurement contracts. The Applicants advise that assignment agreements in respect of the procurement contracts have been settled between the Applicants and the OPA and the Applicants have executed the assignment agreements. However, once the OPA has executed the assignment agreements, the assignment agreements will be held in escrow until all of the underlying elements of the proposed re-organization are completed. The OPA’s formal assignment of the procurement contracts by way of the release of the assignment agreements is therefore one of the final steps in the re-organization process. As the OEB’s approval of the transfer is a prior step to the OPA’s release of the assignment agreements, it is

not practical to have the OEB's approval await the OPA's formal assignment of the procurement contracts by way of the release of the assignment agreements.

In order to address the Board's requirement to confirm that the OPA procurement contracts are transferred as a precondition to the transfer of the generation licences, while at the same time allowing the transaction to be completed in an orderly fashion as described above, the Applicants propose that the Board's approval of the transfer of the generation licences be made conditional on the OPA's assignment of the procurement contracts. This may be implemented through a condition of approval that provides that the order granting approval will go into effect only upon the OPA's assignment of the procurement contracts as reported to the Board by the Applicants.

As indicated in the Applications, the reorganization will simply transfer ownership of the Generation Facilities from corporations to limited partnerships. The transfers will have no impact on the operation of the Generation Facilities.

The transfers will also have no impact on the OEB's licensing oversight of the Generation Facilities. The legal name of the applicants and type of business entities in the original applications for the electricity generation licences will change. There will be no change to the Generation Facilities' information from the original applications. In short, the change is one of legal form only.

The Applicants reiterate the submissions in the Applications that no one will be adversely affected in a material way by the Board's decision regarding the Applications, and their request that the Board exercise its authority under s. 21(4)(b) of the *Ontario Energy Board Act, 1998* to dispose of the Applications without a hearing.

In order to effect an orderly transition of the corporate reorganization, the Applicants respectfully continue to request that the Board dispose of this matter by May 30, 2014.

I trust that this is satisfactory. Please let me know if you have questions or concerns.

Sincerely,

Signed in the original

George Vegh

cc: Lisa Moreau and Ron Clark
Counsel to the Ontario Power Authority