



EB-2014-0168
EB-2014-0170
EB-2014-0172
EB-2014-0179

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O.1998, c.15, Schedule B;

AND IN THE MATTER OF an application by Sombra
Solar, Inc. for leave to transfer electricity generation
licence EG-2011-0022 from Sombra Solar, Inc. to
Sombra Solar, LP;

AND IN THE MATTER OF an application by Moore
Solar, Inc. for leave to transfer electricity generation
licence EG-2011-0023 from Moore Solar, Inc. to
Moore Solar, LP;

AND IN THE MATTER OF an application by Varna
Wind, Inc. for leave to transfer electricity generation
licence EG-2014-0011 from Varna Wind, Inc. to Varna
Wind, LP;

AND IN THE MATTER OF an application by Kerwood
Wind, Inc. for leave to transfer electricity generation
licence EG-2013-0433 from Kerwood Wind, Inc. to
Kerwood Wind, LP.

By delegation, before: Jennifer Lea

DECISION AND ORDER

May 30, 2014

On April 17, 2014, Sombra Solar, Inc., Moore Solar, Inc., Varna Wind, Inc. and Kerwood
Wind, Inc. each applied for leave of the Ontario Energy Board pursuant to section 18(2)
Ontario Energy Board Act, 1998 ("the Act") to transfer their electricity generation

licences to Sombra Solar, LP, Moore Solar, LP, Varna Wind, LP and Kerwood Wind, LP, respectively. Due to the similar nature of the applications, the applications have been combined into one proceeding pursuant to section 21(5) of the Act.

All applicants are affiliates of NextEra Energy Canada, ULC (“NextEra”), and have entered into power purchase agreements (procurement contracts) with the Ontario Power Authority (the “OPA”). Sombra Solar, Inc. and Moore Solar, Inc. each have a Renewable Energy Standard Offer Program (“RESOP”) contract and Varna Wind, Inc. and Kerwood Wind, Inc. each have a Feed-in Tariff Program (“FIT”) contract. As a result of the corporate re-organization among affiliates associated with NextEra, the applicants will be transferring the electricity generation assets along with the procurement contracts to the limited partnerships. The applicants stated that the purpose of the corporate reorganization is to facilitate cost-effective and efficient management of NextEra affiliates.

Request for determination without a hearing

The applicants asked that the Board dispose of the applications without a hearing under section 21(4)(b) of the Act. That section says that the Board may dispose of an application without a hearing where it determines that no person other than the applicant will be adversely affected in a material way by the outcome of the proceeding. I find that the test in section 21(4)(b) is met.

The evidence in the applications indicates that the reorganization will have no impact on the location or operation of the existing facilities or the construction and operation of facilities to be developed. I find that no person will be adversely affected in a material way by the outcome of these applications, which merely transfer the existing licences from the licensed corporations to limited partnerships.

Board Findings on the Applications

I find that the applications should be granted. The applicants acknowledge that the ongoing responsibility for the ownership and operation of the generation facilities will be borne by the limited partnerships once the reorganization is complete. The change in legal structure does not reduce any of the obligations on the generators to comply with legislative and regulatory requirements, or with the conditions of the generation licences. The Board can maintain its regulatory oversight of the generators under the

new legal structure. However, I find that the granting of the applications to transfer the licences should be conditioned.

For generation licence applicants who will be operating under a RESOP or FIT contract with the OPA, proof of signing of a procurement contract with the OPA and a Notice to Proceed are part of the evidence that must be filed with the Board. At present, the applicant corporations hold the RESOP and FIT contracts and related Notices to Proceed. When generation assets are transferred to unlicensed entities, the Board generally requires the applicant to obtain confirmation from the OPA of the transfer of the contracts to the new entity before the licence is granted or transferred. However, the applicants have informed the Board that the OPA will finalize the transfer of the RESOP and FIT contracts only once the proposed re-organization is virtually complete. In order to allow completion of the corporate reorganization in an orderly fashion, the applicants proposed that the Board's approval of the transfer of the generation licences be made conditional on the OPA's assignment of the respective procurement contracts. I find this proposal has merit.

IT IS THEREFORE ORDERED THAT:

The applications to transfer the electricity generation licences are granted, subject to the following conditions respecting timing:

- Electricity generation licence EG-2011-0022 will be transferred to Sombra Solar, LP once the Board receives confirmation in writing that the OPA has assigned the RESOP contract presently held by Sombra Solar, Inc. to Sombra Solar, LP;
- Electricity generation licence EG-2011-0023 will be transferred to Moore Solar, LP once the Board receives confirmation in writing that the OPA has assigned the RESOP contract presently held by Moore Solar, Inc. to Moore Solar, LP;
- Electricity generation licence EG-2014-0011 will be transferred to Varna Wind, LP once the Board receives confirmation in writing that the OPA has assigned the FIT contract presently held by Varna Wind, Inc. to Varna Wind, LP; and
- Electricity generation licence EG-2013-0433 will be transferred to Kerwood Wind, LP once the Board receives confirmation in writing that the OPA has assigned the FIT contract presently held by Kerwood Wind, Inc. to Kerwood Wind, LP.

DATED at Toronto, May 30, 2014.

ONTARIO ENERGY BOARD

Original signed

Jennifer Lea
Counsel, Special Projects