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August 12, 2014

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
P.O. Box 2319
2300 Yonge Street, Suite 2700
Toronto ON M4P 1E4

Dear Ms. Walli:

**Re: Link Energy Supply Inc.
Application for an Electricity Retailer Licence
Board File No. EB-2014-0136
Application for a Gas Marketer Licence
Board File No. EB-2014-0151**

In accordance with Procedural Order No 1, please find enclosed Board staff submission with respect to the above mentioned applications.

Yours truly,

Original signed by

Irina Kuznetsova
Case Manager

Attachment

Board Staff Submission

**Link Energy Supply Inc.
("Link Energy")**

**Electricity Retailer Licence Application
EB-2014-0136**

and

**Gas Marketer Licence Application
EB-2014-0151**

August 12, 2014

THE PROCEEDING

On April 2, 2014, Link Energy Supply Inc. (“Link Energy”) filed applications with the Ontario Energy Board under section 60 and section 50 of the *Ontario Energy Board Act, 1998* (the “Act”) for electricity retailer and gas marketer licences, respectively. The applications were incomplete and additional information to complete the applications was filed on May 2, 2014. Due to their similar nature, the applications were combined into one proceeding pursuant to section 21(5) of the Act.

On May 26, 2014, the Board issued a Notice of Application and Written Hearing (the “Notice”). No parties responded to the Notice. In that Notice, the Board set out dates for the filing of interrogatories, responses to the interrogatories and written submissions. In accordance with the timelines set out in the Notice, on June 24, 2014, Board staff filed interrogatories on the application in order to gather additional information required for the Board’s final determination of the licence applications. Responses to interrogatories were due on July 8, 2014.

In a letter filed with the Board dated July 10, 2014, Link Energy requested an extension to July 22, 2014 for filing responses to Board staff’s interrogatories. The letter noted that Link Energy has allocated its resources to get ready to operate in the retail energy market in Ontario and needed more time to complete responses to Board staff’s interrogatories. On July 11, 2014, the Board granted an extension to July 22, 2014. On July 17, 2014, Link Energy filed responses to Board staff interrogatories.

THE APPLICANT

As stated in the applications, Link Energy intends to operate as an electricity retailer and gas marketer in Ontario. The applicant was incorporated on September 19, 2012 and intends to retail electricity to low and large volume consumers. With respect to natural gas, the applicant intends to market natural gas to low volume consumers as well as to act as an agent or broker.

The applicant has never undertaken licensed energy sector activity in Ontario; however, Link Energy is currently licensed to retail electricity in Alberta.

STAFF SUBMISSION

In assessing electricity retailer and gas marketer licence applications, and licence renewal applications, the Board considers the entire applications and in particular financial viability, technical capability and past conduct of the applicant considering the licence requirements for electricity retailers and gas marketers set out in Ontario Regulation 90/99 “Licensing Requirements – Electricity Retailers and Gas Marketers”, made under the Act. These requirements include:

1. Having regard to the financial position of the applicant, the applicant can reasonably be expected to be financially responsible in the conduct of business.
2. The past conduct of the applicant affords reasonable grounds for belief that the applicant will carry on business in accordance with law and with integrity and honesty.
3. If the applicant is a corporation, the past conduct of its officers and directors affords reasonable grounds for belief that its business will be carried on in accordance with law and with integrity and honesty.
4. The applicant is not carrying on activities that are, or will be, if the applicant is licensed, in contravention of the Act or the regulations or the codes, orders or rules issued or made by the Board.

In assessing Link Energy’s electricity retailer and gas marketer licence applications, Board staff considered the entire applications and in particular the financial viability, technical capability, and past conduct of the applicant.

Financial Viability

According to the evidence provided with the applications, Board staff submits that Link Energy can reasonably be expected to be financially responsible in the conduct of its business.

Technical Capability

Board staff submits that according to the applications Link Energy has adequate technical resources with appropriate qualifications to retail electricity and market natural gas.

Conduct

Board staff's interrogatories to Link Energy sought to further the record with respect to the role of the key individuals named in the applications. Board staff also sought to further the record on Link Energy's plan to ensure compliance with its legal and regulatory obligations if the applicant were licensed, including the sales channels it intends to use for retailing electricity and marketing natural gas in Ontario.

Board staff conducted a review of all key individuals listed in Link Energy's application. All key individuals identified in the applications have extensive experience in the energy sector and Board staff notes that no issues have been identified.

Board staff submits that Link Energy has provided a detailed description of the policies, processes and procedures in place or to be put in place to ensure compliance.

CONCLUSION

Link Energy's responses to the interrogatories reasonably addressed Board staff's concerns. Link Energy has not previously been licensed as an electricity retailer or gas marketer in Ontario.

In consideration of the evidence filed, Board staff supports the granting of electricity retailer and gas marketer licences to Link Energy and is not recommending any restrictions or conditions on the licences.

All of which is respectfully submitted.