



EB-2015-0223
EB-2015-0224

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

AND IN THE MATTER OF applications by Canadian Hydro Developers, Inc. and Canadian Renewable Energy Corporation for Electricity Generation Licence Amendments.

By delegation, before: Peter Fraser

ORDER

Canadian Hydro Developers, Inc. (CHDI) and Canadian Renewable Energy Corporation (CREC) filed applications dated July 14, 2015 with the Ontario Energy Board under section 74 of the *Ontario Energy Board Act, 1998* (the Act) for an amendment to their respective Electricity Generation Licences, EG-2003-0134 and EG-2003-0013. CREC also applied to transfer its licence to Melancthon Wolfe Wind LP under section 18(1) of the Act. Due to the related nature of the applications the proceeding has been combined pursuant to section 21(5) of the Act.

As part of a corporate re-organization the applicants and its parent company, TransAlta Group, intend to consolidate and reorganize the ownership structure of each licensee and its generation facilities. The applicants are providing notice of the transaction prior to closing in order to obtain all necessary consents.

As part of the re-organization the applicants will amalgamate into one entity named CHDI. In addition, the licence issued to CREC will be transferred to a newly created entity named Melancthon Wolfe Wind LP.

The applicants also requested that Schedule 1 of CHDI's licence remove reference to the Melancthon Grey Wind Project Phase 1 & 2 and include it on CREC's licence. In

addition, CHDI requested to include the Misema Power Station and remove it from CREC's licence.

I have considered the application without holding a hearing pursuant to section 6(4) of the Act.

I find that the applications should be granted. However, I find that the granting of the applications should be conditioned.

The applicant has informed the Board that it does not yet have the confirmation of the close of the reorganization. However, the applicant indicated that it needs to gain approval for the transfer of licence and generation facilities to secure all necessary approvals in time for closing to take place.

I have agreed to approve the amendments and transfer of the licence pending confirmation in writing of the completion of the reorganization and amalgamation.

IT IS ORDERED THAT:

1. The application for amendment to Schedule 1 of CDHI's Electricity Generation Licence EG-2003-0134 is granted on such conditions as are contained in the attached licence and pending confirmation in writing that the reorganization and amalgamation with CREC has been completed.
2. The application for amendment to Schedule 1 and transfer of CREC's Electricity Generation Licence EG-2003-0013 to Melancthon Wolfe Wind LP is granted on such conditions as are contained in the attached licence and pending confirmation in writing that the reorganization and amalgamation with CREC has been completed.

DATED at Toronto, August 20, 2015

ONTARIO ENERGY BOARD

Original signed by

Peter Fraser
Vice President, Industry Operations & Performance



Electricity Generation Licence

EG-2003-0013

Melancthon Wolfe Wind LP

Valid Until

May 15, 2023

Original signed by

Peter Fraser

Vice President, Industry Operations & Performance

Ontario Energy Board

Date of Issuance: May 16, 2003

Date of Amendment: December 20, 2006

**Date of Amendment and Transfer from Canadian Renewable Energy Corporation:
August 20, 2015**

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Table of Contents

Page No.

1	Definitions	1
2	Interpretation	1
3	Authorization	1
4	Obligation to Comply with Legislation, Regulations and Market Rules	2
5	Obligation to Maintain System Integrity	2
6	Restrictions on Certain Business Activities.....	2
7	Provision of Information to the Board.....	2
8	Term of Licence	2
9	Fees and Assessments.....	2
10	Communication	3
11	Copies of the Licence.....	3
SCHEDULE 1 LIST OF LICENSED GENERATION FACILITIES		4
SCHEDULE 2 AUTHORIZED TRADE NAMES.....		5

1 Definitions

In this Licence:

“**Act**” means the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

“**Electricity Act**” means the *Electricity Act, 1998*, S.O. 1998, c. 15, Schedule A;

“**generation facility**” means a facility for generating electricity or providing ancillary services, other than ancillary services provided by a transmitter or distributor through the operation of a transmission or distribution system and includes any structures, equipment or other things used for that purpose;

“**Licensee**” means Melancthon Wolfe Wind LP;

“**regulation**” means a regulation made under the Act or the Electricity Act.

2 Interpretation

- 2.1 In this Licence words and phrases shall have the meaning ascribed to them in the Act or the Electricity Act. Words or phrases importing the singular shall include the plural and vice versa. Headings are for convenience only and shall not affect the interpretation of this Licence. Any reference to a document or a provision of a document includes an amendment or supplement to, or a replacement of, that document or that provision of that document. In the computation of time under this Licence where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens. Where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

3 Authorization

- 3.1 The Licensee is authorized, under Part V of the Act and subject to the terms and conditions set out in this licence:
- a) to generate electricity or provide ancillary services for sale through the IESO-administered markets or directly to another person subject to the conditions set out in this Licence. This Licence authorizes the Licensee only in respect of those facilities set out in Schedule 1;
 - b) to purchase electricity or ancillary services in the IESO-administered markets or directly from a generator subject to the conditions set out in this Licence; and
 - c) to sell electricity or ancillary services through the IESO-administered markets or directly to another person, other than a consumer, subject to the conditions set out in this Licence.
- 3.2 The Licensee is authorized to conduct business in the name under which this Licence is issued, or any trade name(s) listed in Schedule 2.

4 Obligation to Comply with Legislation, Regulations and Market Rules

- 4.1 The Licensee shall comply with all applicable provisions of the Act and the Electricity Act, and regulations under these acts, except where the Licensee has been exempted from such compliance by regulation.
- 4.2 The Licensee shall comply with all applicable Market Rules.

5 Obligation to Maintain System Integrity

- 5.1 Where the IESO has identified, pursuant to the conditions of its licence and the Market Rules, that it is necessary for purposes of maintaining the reliability and security of the IESO-controlled grid, for the Licensee to provide energy or ancillary services, the IESO may require the Licensee to enter into an agreement for the supply of energy or such services.
- 5.2 Where an agreement is entered into in accordance with paragraph 5.1, it shall comply with the applicable provisions of the Market Rules or such other conditions as the Board may consider reasonable. The agreement shall be subject to approval by the Board prior to its implementation. Unresolved disputes relating to the terms of the Agreement, the interpretation of the Agreement, or amendment of the Agreement, may be determined by the Board.

6 Restrictions on Certain Business Activities

- 6.1 Neither the Licensee, nor an affiliate of the Licensee shall acquire an interest in a transmission or distribution system in Ontario, construct a transmission or distribution system in Ontario or purchase shares of a corporation that owns a transmission or distribution system in Ontario except in accordance with section 81 of the Act.

7 Provision of Information to the Board

- 7.1 The Licensee shall maintain records of and provide, in the manner and form determined by the Board, such information as the Board may require from time to time.
- 7.2 Without limiting the generality of paragraph 7.1 the Licensee shall notify the Board of any material change in circumstances that adversely affects or is likely to adversely affect the business, operations or assets of the Licensee, as soon as practicable, but in any event no more than twenty (20) days past the date upon which such change occurs.

8 Term of Licence

- 8.1 This Licence shall take effect on May 16, 2003 and expire on May 15, 2023. The term of this Licence may be extended by the Board.

9 Fees and Assessments

- 9.1 The Licensee shall pay all fees charged and amounts assessed by the Board.

10 Communication

- 10.1 The Licensee shall designate a person that will act as a primary contact with the Board on matters related to this Licence. The Licensee shall notify the Board promptly should the contact details change.
- 10.2 All official communication relating to this Licence shall be in writing.
- 10.3 All written communication is to be regarded as having been given by the sender and received by the addressee:
- a) when delivered in person to the addressee by hand, by registered mail or by courier;
 - b) ten (10) business days after the date of posting if the communication is sent by regular mail; or
 - c) when received by facsimile transmission by the addressee, according to the sender's transmission report.

11 Copies of the Licence

- 11.1 The Licensee shall:
- a) make a copy of this Licence available for inspection by members of the public at its head office and regional offices during normal business hours; and
 - b) provide a copy of this Licence to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

SCHEDULE 1 LIST OF LICENSED GENERATION FACILITIES

The Licence authorizes the Licensee only in respect to the following:

1. The ownership and operation of Wolfe Island Wind Project with an installed capacity of 198 MW and located at 209-4th Line Road, Wolfe Island, ON K0H 2Y0.
2. The ownership and operation of Melancthon Grey Wind Project Phase 1 & Phase 2 with an installed capacity of 200 MW and located at 96041 4th Line S.W., Melancthon, ON L9V 2B9.

SCHEDULE 2 AUTHORIZED TRADE NAMES

1. None