

December 21, 2015

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

RECEIVED

DEC 23 2015

ONTARIO ENERGY BOARD

EB-2015-0379

Dear Ms. Walli:

**Re: Sandpiper Generation FIT 3 GP Inc.
Section 80 Notice under the Ontario Energy Board Act**

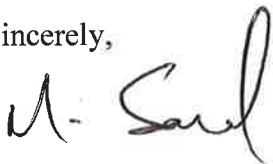
In accordance with Section 80 of the *Ontario Energy Board Act* (the “Act”), Sandpiper Generation FIT 3 GP Inc. (“Sandpiper FIT 3”) hereby provides the Ontario Energy Board (the “Board”) with notice of its proposal to construct three solar rooftop installations on municipally owned buildings in the Town of Oakville. Sandpiper FIT 3 is co-owned by Sandpiper Generation Inc., a subsidiary of Oakville Hydro Energy Services Inc., and the Town of Oakville.

Sandpiper FIT 3 respectfully submits that a review of the Section 80 Notice of Proposal for the three solar rooftop installations is not required as the generation capacity of Sandpiper FIT 3 and its affiliates is a fraction of the total generation supply volume in the Province of Ontario. In addition, the Independent Electricity System Operator has awarded a contract under the Feed-in Tariff program and, in doing so, has conducted a thorough review of the proposed project.

In the event that the Board proceeds to review the Notice of Proposal for these projects pursuant to section 82(b) of the OEB Act, Sandpiper FIT 3 submits that, for the reasons stated above, the impact of the projects will not adversely affect the development and maintenance of a competitive market.

If you require any additional information please do not hesitate to contact me.

Sincerely,



Mike Savel,
Director, Energy Generation
Sandpiper Generation Inc.
905-825-9400 ext. 2239

Ontario Energy Board
Preliminary Filing Requirements
For a Notice of Proposal under Sections 80 and 81
Of the *Ontario Energy Board Act, 1998*

INSTRUCTIONS:

This form applies to all applicants who are providing a Notice of Proposal to the Ontario Energy Board (the "Board") under sections 80 and 81 of the *Ontario Energy Board Act, 1998* (the "Act"), including parties who are also, as part of the same transaction or project, applying for other orders of the Board such as orders under sections 86 and 92 of the Act.

The Board has established this form under section 13 of the Act. Please note that the Board may require information that is additional or supplementary to the information filed in this form and that the filing of the form does not preclude the applicant from filing additional or supplementary information.

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 Sandpiper FIT 3 GP Inc.	File No: (Board Use Only) EB-2015-0379	
Address of Head Office 861 Redwood Square, PO Box 1900, Oakville, ON, L6K 0C7	Telephone Number 905 825 9400	
	Facsimile Number	
	E-mail Address	
Name of Individual to Contact Scott Mudie Chief Operating Officer Oakville Enterprises Corporation	Telephone Number 905 825 4453	
	Facsimile Number 905 825 4460	
	E-mail Address <u>smudie@oecorp.ca</u>	

1.1.2 Other Parties to the Transaction or Project

If more than one attach list

Name of Other Party Corporation of the Town of Oakville	Board Use Only	
Address of Head Office 1225 Trafalgar Road Oakville, ON L6H 0H3	Telephone Number	
	Facsimile Number	
	E-mail Address	
Name of Individual to Contact Gord Lalonde Treasurer	Telephone Number 905 815-6100	
	Facsimile Number	
	E-mail Address <u>Gord.lalonde@oakville.ca</u>	

1.2 Relationship between Parties to the Transaction or Project

1.2.1	Attach a list of the officers, directors and shareholders of each of the parties to the proposed transaction or project.	
	<p><u>Oakville Enterprises Corporation:</u> Rob Lister, President and CEO Scott Mudie, Chief Operating Officer</p> <p><u>Corporation of the Town of Oakville:</u> Mayor Rob Burton Gord Lalonde, Treasurer</p>	
1.2.2	Attach a corporate chart describing the relationship between each of the parties to the proposed transaction or project and each of their respective affiliates.	
	The Sandpiper FIT 3 GP Inc. is jointly owned by Sandpiper Generation (49%) and the Corporation of the Town of Oakville (51%). Sandpiper Generation is a wholly owned subsidiary of Oakville Hydro Energy Services Inc. (OHESI). A corporate chart illustrating the relationship between OHESI, the Corporation of the Town of Oakville and their affiliates accompanies this Notice as Attachment 1.2.2.	

1.3 Description of the Businesses of Each of the Parties

1.3.1	<p>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").</p>
	<p>The Corporation of the Town of Oakville delivers programs and services to the residents of the Town of Oakville and is the sole shareholder of Oakville Enterprises Corporation and its affiliates.</p> <p>OHESI provides energy services such as customer demand management, hot water heater rentals, and development, ownership and operation of renewable electricity generation facilities. OHESI is a licensed electricity generator under OEB Electricity Generation Licence EG-2004-0415.</p> <p>Sandpiper Generation Inc. and Sunny Shores LP are subsidiaries of OHESI.</p> <p>Sandpiper Kagawong Inc. is a licenced electricity generator under OEB Generation, Licence EG-2014-0327</p> <p>Sunny Shores LP is a licenced electricity generator under OEB Generation Licence EG-2013-0422.</p> <p>Oakville Hydro Electricity Distribution Inc. (OHEDI) is a licensed electricity distributor in the province of Ontario serving approximately 68,000 customers in the Town of Oakville under OEB Distribution Licence ED-2003-0135</p>
1.3.2	<p>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.</p>
	<p>Sandpiper FIT 3 GP Inc. will own and operate three solar generation facilities in the Town of Oakville under a 20-year FIT 3 GP.0.1 contract. The facilities are located at:</p> <ul style="list-style-type: none"> • Glen Abbey Recreation Centre at 1415 Third Line, Oakville, Ontario • River Oaks Recreation Centre at 2400 Sixth Line, Oakville, Ontario • 16 Mile Sports Complex at 3070 Neyagawa Blvd., Oakville, Ontario <p>OHESI owns and operates the following generation facilities:</p> <ul style="list-style-type: none"> • A landfill gas generation plant at the Halton Regional Waste Management Facility site located at 5400 Regional Road 25, Milton, Ontario. • A rooftop PV solar array at its corporate office at 861 Redwood Square, Oakville, Ontario • A rooftop PV solar array at Oakville Town Hall, 1225 Trafalgar Road, Oakville, Ontario <p>Sandpiper Kagawong Inc., a subsidiary of Sandpiper Generation Inc., owns and operates a run-of-river hydroelectric generating station located on the Kagawong River, Kagawong, Township of Billings.</p> <p>Sunny Shores LP owns and operates a ground mount solar project located on part lots 12 and 13, Concession II SW in the Township of Sophiasburgh</p> <p>OHEDI serves the Town of Oakville.</p>
1.3.3	<p>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.</p>

	<p>Renewable Energy Standard Offer Program: OHESI's Land Fill Gas facility produced \$577,735 and 4,252 MWh in 2014.</p> <p>IESO Administered Markets:</p> <ul style="list-style-type: none"> • OHESI's solar panels produced 91 MWh and had annual sales of \$63,975 in 2014. • The Kagawong generation facility produced 4,061 MWh and had annual sales of \$305,370 in 2014 • The Sunny Shores generation facility produced 4,866 MWh and had annual sales of \$1,126,755
1.3.4	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.
	<ul style="list-style-type: none"> • OHESI is a licenced electricity generator under OEB Electricity Generation Licence EG-2004-0415. • Sandpiper Kagawong is a licensed electricity generator under OEB Electricity Generation Licence EG-2014-0327 • Sunny Shores LP is a licensed electricity generator under OEB Electricity Generation Licence EG-2013-0422 • OHEDI is a licensed electricity distributor under OEB Electricity Distribution Licence ED-2003-0135. • OHESI will file an application for a generation licence for the Sandpiper FIT 3 GP Inc. to enable it to generate electricity at the three facilities that are the subject of this notice.

1.4 Current Competitive Characteristics of the Market

1.4.1	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.	
	<p>OHESI currently owns and operates the following generation facilities:</p> <ul style="list-style-type: none"> • Landfill gas generation plant at the Halton Regional Waste Management Facility site located at 5400 Regional Road 25, Milton, Ontario. • Rooftop PV solar array at its corporate office at 861 Redwood Square, Oakville, Ontario (0.011 MW) • Rooftop PV solar project at Oakville Town Hall, 1225 Trafalgar Road, Oakville, Ontario (0.06 MW) <p>Sandpiper Generation owns and operates a run-of-river hydroelectric generating station located on the Kagawong River, Kagawong, Township of Billings, operating under an OPA HCI contract (720 kW).</p> <p>Sunny Shores Ground Mount Solar Project located on part lots 12 and 13, Concession II SW in the Township of Sophiasburgh (10 MW)</p>	
1.4.2	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.	
	The total Annual Ontario Energy Demand for 2014 was 139.8 TWh (139,800,000 MWh), as reported by the IESO. ¹ OHESI and its affiliates share of the generation market in 2014 was 13,269 MWh or 0.009492% of the 2014 Annual Primary Demand within the province.	

¹ <https://ieso-public.sharepoint.com/Pages/Power-Data/2014-Electricity-Production-Consumption-and-Price-Data.aspx>

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

1.5.1	<p>Attach a detailed description of the proposed transaction or project, including geographic locations of proposed new transmission or distribution systems, or new generation facilities.</p>
	<p>The proposed project includes three new generation facilities at the following locations:</p> <ul style="list-style-type: none"> • A 0.19 MW rooftop solar project located at the Glen Abbey Recreation Centre, 1415 Third Line, Oakville, Ontario • A 0.185 MW rooftop solar project located at the River Oaks Recreation Centre, 2400 Sixth Line, Oakville, Ontario • A 0.458 MW solar rooftop project located at the 16 Mile Sports Complex, 3070 Neyagawa Blvd., Oakville, Ontario
1.5.2	<p>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.</p>
	<p>Once the proposed solar rooftop generation facilities are connected, the generation capacity of OHESI and its affiliates will be approximately 13.29 MW. There will be a .08 MW increase in the generation capacity within the Province of Ontario as a result of placing these three projects into service.</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>As noted above, the total Annual Ontario Energy Demand for 2014 was 139.8 TWh (139,800,000 MWh). Once the proposed rooftop solar projects are connected, the generation market share of OHESI and its affiliates will be approximately 13,694 MWh (approximately 0.009796% of the total Annual Ontario Energy Demand for 2014).</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>This activity will have no impact on competition. Customer choice with respect to generation, energy wholesalers and/or energy retailers will not be affected. Sandpiper FIT 3 GP Inc. will be a participant in OPA FIT contract program, similar to the many other participants in those programs.</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>Sandpiper FIT 3 GP Inc. will be treated in the same manner as the other participants in the FIT programs, and will not receive any preferential treatment simply by virtue of its status as an affiliate of a distributor.</p>

1.6 Other Information

1.6.1	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.
	OHESI is, to the best of its knowledge, in compliance with all licence and code requirements and will remain in compliance during and following completion of the proposed renewable energy generation project contemplated in this Notice. Sandpiper FIT 3 GP Inc. will submit an application for an Electricity Generator Licence to the Board.

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	Describe whether the proposed generation output will be primarily offered into the IAM, sold via bilateral contracts, or for own use.
	The proposed generation output is subject to a contract with the IESO for sale of renewable electricity under the FIT program.
2.1.3	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.
	The proposed projects are rooftop solar projects located with a combined maximum capacity of 0.8 MW. The projects will operate under an IESO-sponsored, 20-year Feed-In-Tariff (FIT) power purchase agreement. The projects are expected to generate, on average, approximately 425 MWh of electricity per year over the 20-year life of the FIT contract.
2.1.4	Provide details on whether the generation facility is expected to sign a "must run" contract with the IESO.
	The proposed project will not be a 'must run' facility with the IESO.
2.1.5	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.
	The proposed project is not expected to serve a "load pocket", or is likely to be "constrained on" due to transmission constraints.

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 as the proposed project is not required for system reliability under Section 82(2)(b) of the Act.

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.

This section is not applicable to this application.

3.1 Effect on Competition

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3.1.1	Provide a description of the transmission or distribution system being acquired or constructed.	
3.1.2	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.	
3.1.3	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.	
3.1.4	Provide details on whether the generation facilities are expected to sign a "must run" contract with the IESO.	

How to Contact the Ontario Energy Board

The Ontario Energy Board is located at:
P.O. Box 2319
2300 Yonge Street, Suite 2701
Toronto, Ontario, M4P1E4

Telephone:	416-481-1967
Toll Free Number:	1-888-632-6273
Fax:	416-440-7656
Board Secretary's e-mail address	boardsec@ontarioenergyboard.ca

Appendix 1.2.2 Corporate Chart

