



Ontario Energy Board Commission de l'énergie de l'Ontario

DECISION AND ORDER

EB-2016-0016

LIBERTY UTILITIES (SAGATAY TRANSMISSION) GP INC. ON BEHALF OF SAGATAY TRANSMISSION LP

Application for an Electricity Transmission Licence

BY DELEGATION, BEFORE: Peter Fraser
Vice President,
Industry Operations & Performance

February 25, 2016

BACKGROUND

Liberty Utilities (Sagatay Transmission) GP Inc. on Behalf Of Sagatay Transmission LP (Sagatay) filed an application dated January 12, 2016 with the Ontario Energy Board (OEB) under section 60 of the *Ontario Energy Board Act, 1998* (OEB Act) for an electricity transmission licence.

Sagatay has no existing transmission assets in Ontario. However, it intends to construct, own and operate a new transmission system in northwestern Ontario. The planned transmission system is described in the application.

While Sagatay has applied for but not yet received OEB permission to construct the planned transmission system, the current application concerns an electricity transmission licence only. It does not concern the construction of the planned transmission system.

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

CONFIDENTIAL FILING

In a letter accompanying the application, Sagatay filed a claim for confidentiality, pursuant to the OEB's *Practice Direction on Confidential Filings*, with respect to Sagatay's pro forma financial statements and an estimate of annual cash flow. Sagatay stated that the information is commercially sensitive and its disclosure on the public record has the potential to adversely affect the applicant.

I accept the applicant's request for confidential treatment of its pro forma financial statements and an estimate of annual cash flow as the disclosure of this information could reasonably be expected to result in prejudice to Sagatay's competitive position.

FINDINGS

The key areas reviewed by the OEB in any licence application are the financial position, technical capability and conduct of an applicant. Furthermore, the OEB's decision in proceeding EB-2009-0164 identified two threshold tests for transmission licence applications:

1. Whether there is a specific project which underpins the application.

2. In the absence of a specific project, whether the applicant is engaged in transmission activity elsewhere and whether it has the necessary technical and financial expertise to undertake transmission activity in Ontario.

While Sagatay has no existing transmission assets in Ontario, a specific transmission project underpins its application for a transmission licence. Sagatay has also provided sufficient information on its technical and financial expertise to qualify for such licence. I will therefore grant an electricity transmission licence to Sagatay for a period of five years. The licence shall not take effect, however, until the date upon which the OEB is satisfied that Sagatay has been selected by appropriate authorities as a developer of transmission assets in Ontario, or the date upon which the OEB, on the application of Sagatay, amends schedule 1 of the licence to specify the transmission facilities to be owned and/or operated by Sagatay, whichever is earlier.

The licence will be reissued to reflect an actual date when one of the two triggering events occurs.

IT IS ORDERED THAT:

1. The application is granted, on such conditions as are contained in the attached licence.

DATED at Toronto February 25, 2016

ONTARIO ENERGY BOARD

Original signed by

Peter Fraser
Vice President, Industry Operations & Performance