

4001 Hwy 11 North
North Bay, ON
P1B 8G3



March 22, 2016

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

Re: Consultation to Develop a Regulatory Framework for Natural Gas Distributors' Cap and Trade Compliance Plans (Board File No. EB-2015-0363)

Dear Ms. Walli:

I am writing in response to the OEB's announcement that they will be conducting consultation to develop a natural gas regulatory framework. This will support the implementation of Ontario's Cap and Trade program which will guide the OEB's assessment of natural gas distributors' C&T Compliance Plans, including the cost consequences of these plans and the mechanism for recovery of costs in rates.

Atlantic Power owns and operates a diverse fleet of power generation assets in the United States and Canada. Our power generation projects sell electricity to utilities and other large commercial customers largely under long-term power purchase agreements, which seek to minimize exposure to changes in commodity prices. As of December 31, 2015, our power generation projects in operation had an aggregate gross electric generation capacity of approximately 2,141 megawatts in which our aggregate ownership interest is approximately 1,504 MW. Our current portfolio consists of interests in twenty-three operational power generation projects across nine states in the United States and two provinces in Canada. In Ontario we have one biomass plant and 4 gas fired power plants, two of which receive gas from Union Gas and two which receive gas directly from TransCanada.

According to the recently released draft Regulations, both domestic electricity generators and electricity imports are included within the scope of the program, and the Point of Regulation related to the use of natural gas will be set upstream with the natural gas utilities. Gas-fired generators connected to an OEB regulated gas distribution company in particular stand to be affected by the implementation of the Draft Regulation. Our 40 MW Non-Utility Generator power stations in North Bay and Kapuskasing, Ontario are among those facilities, and as a result we would like to participate in the consultation process.

Atlantic Power is also a member of APPrO, who intends to be an active participant in this consultation. Though Atlantic Power also expects to actively participate in the process, much of the broader input and feedback from Generators is expected to be provided by APPrO. Only where unique situations affecting Atlantic Power are presented will we responsibly intervene, to assist the Board in identifying these issues and implementing solutions within the context of the OEB's regulatory responsibility.

The OEB indicated that “cost awards will be available to eligible persons under section 30 of the Ontario Energy Board Act, 1998 for participation in cost eligible activities as set out in Appendix A.” Atlantic Power does not anticipate any significant direct costs arising from this process and is therefore not applying for any cost recovery.

Representing Atlantic Power in the consultation process will be;

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Sincerely,



Sean Gillespie
General Manager, Canada

cc: Joanna Raleigh