



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

DECISION AND ORDER

EB-2016-0363

SR ZEP WIND CORP.

**Application for leave to transfer electricity generation licence
EG-2016-0172 from SR ZEP Wind Corp. to SR Wind Development II LP**

BY DELEGATION, BEFORE: Brian Hewson
Vice President,
Consumer Protection & Industry Performance

December 29, 2016

DECISION AND ORDER

On December 5, 2016, SR ZEP Wind Corp. applied for leave of the Ontario Energy Board (OEB) pursuant to section 18(2) of the *Ontario Energy Board Act, 1998* (OEB Act) to transfer a FIT electricity generation licence EG-2016-0172 from SR ZEP Wind Corp. to SR Wind Development II LP.

SR ZEP Wind Corp. is a holder of an electricity generation licence EG-2016-0172 issued by the OEB on June 9, 2016. The licence authorizes SR ZEP Wind Corp. to own the Snowy Ridge Wind Park wind generation facility. This facility is jointly owned, pursuant to a joint venture agreement, by SR ZEP Wind Corp. and SR Wind Development LP. As a result of a restructuring, SR ZEP Wind Corp. will be transferring its ownership interests in the generation facility along with the FIT procurement contract to the newly created entity, SR Wind Development II LP.

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

I find that the application should be granted. The evidence in the application indicates that the transfer of the ownership interests to SR Wind Development II LP will have no impact on the location or operation of the Snowy Ridge Wind Park facility. However, I find that the granting of the application to transfer the licence should be conditioned. For generation licence applicants who will be operating under a FIT contract with the Independent Electricity System Operator (the IESO), proof of signing of a procurement contract with the IESO and a Notice to Proceed are part of the evidence that must be filed with the OEB. At present, SR ZEP Wind Corp. holds the FIT contract and related Notice to Proceed. When generation assets are transferred to unlicensed entities, the OEB generally requires the applicant to obtain confirmation from the IESO of the transfer of the contract to the new entity before the licence is granted or transferred. However, the applicant has informed the OEB that the IESO requires a confirmation of the OEB's leave to transfer the licence to SR Wind Development II LP in order for the FIT contracts assignment to take effect. To allow completion of the transaction in an orderly fashion, the applicant proposed that the OEB's approval of the transfer of the generation licence be made conditional on the IESO's assignment of the FIT procurement contract to SR Wind Development II LP. I find this proposal has merit.

IT IS ORDERED THAT:

The application to transfer the electricity generation licence is granted, subject to the following condition respecting timing:

- Electricity generation licence EG-2016-0172 will be transferred to SR Wind Development II LP once the OEB receives confirmation in writing that the IESO has assigned the FIT contract presently held by SR ZEP Wind Corp. to SR Wind Development II LP.

DATED at Toronto December 29, 2016

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson
Vice President, Consumer Protection & Industry Performance