

June 2, 2017

Richard King  
Direct Dial: 416.862.6626  
rking@osler.com  
Our Matter Number: 1175454

**BY E-MAIL AND COURIER**

Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street  
27th Floor  
Toronto, ON M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Sirs/Mesdames:

**Electricity Generation Licence EG-2007-0775 (Transfer Request)**

We are counsel to Veresen Energy Infrastructure Inc. (the “**Transferor**”). By way of this letter, we are applying to the Ontario Energy Board (the “**OEB**”), pursuant to subsection 18(2) of the *Ontario Energy Board Act, 1998* (the “**OEB Act**”), for leave to transfer Electricity Generation Licence EG-2007-0775 to London District Energy GP Inc., acting as general partner for and on behalf of, London District Energy LP (the “**Transferee**”). The Transferee is wholly owned by Enwave Energy Corporation (“**Enwave**”).

The Transferor is the holder of Electricity Generation Licence EG-2007-0775 issued by the OEB on December 21, 2007 and most recently amended on April 10, 2014 (the “**Licence**”), in respect of the London District Energy facility located at 301 Colborne Street, London, Ontario (the “**Generation Facility**”).

The Generation Facility is being transferred by way of an asset Purchase and Sale Agreement dated February 17, 2017 (the “**Purchase Agreement**”), pursuant to which the Transferee will purchase all of the right, title and interest in the Generation Facility and all agreements, licenses, permits and other documents and instruments that are required for the operating of the Generating Facility in accordance with the terms of a Combined Heat and Power Contract with the Independent Electricity System Operator (“**IESO**”) dated October 16, 2006, as amended (the “**CHPI Contract**”).

Enwave is already a licensed electricity generator in Ontario, holding Electricity Generation Licence EG-2007-0600 in respect of two natural gas generation facilities located in Toronto.

Enwave is a fully integrated, sustainable energy services provider that has operations in Toronto and Windsor, Ontario and will, upon completion of the acquisition of Veresen District Energy Partnership’s district energy assets, will also have operations in London,

Ontario and Prince Edward Island. Enwave operates highly efficient thermal energy plants that distribute steam, hot water and/or chilled water to customer buildings., and installed and commissioned 4 MW of combined heat and power facilities under the CHPSOP II program in 2017. For further detail concerning Enwave's business and operations, please see [www.enwave.com](http://www.enwave.com). The Transferee is a newly formed entity which was established by Enwave in March 2017 to be the acquirer in respect of the Generation Facility.

The Transferor and Transferee have settled on the form of the consent with the IESO to transfer the CHPI Contract to the Transferee, which will be delivered on closing. Subject to obtaining the permission of the OEB to transfer the Licence as requested herein, the Transferor and Transferee have scheduled the closing of the transaction in respect of the Generation Facility on **June 30, 2017**.

The Transferor and Transferee are seeking the permission of the OEB to effect the transfer of the Licence from the Transferor to the Transferee contemporaneously with the transfer of the Generation Facility. Provided that leave of the OEB to transfer the Licence is granted as requested herein, the Transferor and Transferee would provide notice to the OEB of the completion of the transfer of the Licence on the same date as the Transferor and Transferee provide notice to the IESO confirming that the Generation Facility and the CHPI Contract have been transferred from the Transferor to the Transferee.

Recognizing that the transfer of the Generation Facility cannot be completed without the Transferee holding an electricity generation licence, and the Licence cannot be transferred without leave of the OEB pursuant to subsection 18(2) of the OEB Act, we would appreciate the OEB's prompt attention to this request.

The new licensee will be "London District Energy GP Inc., acting as general partner for and on behalf of, London District Energy LP", and the new licensee contact person for the OEB's records is:

Amy Jacobs  
Director, Finance & Operations Northeast Region  
Enwave Energy Corporation  
T: 416-338-8923  
M: 416-716-8875  
F: 416-363-6052 [ajacobs@enwave.com](mailto:ajacobs@enwave.com)

We would be happy to discuss any questions or concerns the OEB may have in regards to this request. Any questions or correspondence on this matter for the Transferor can be directed to Mr. Richard King (at [rking@osler.com](mailto:rking@osler.com); tel: 416-862-6626) and for the Transferee, to Mr. Peter Ruby (at [pruby@goodmans.ca](mailto:pruby@goodmans.ca); tel: 416-597-4184).

As a housekeeping matter, we would note that the OEB's on-line records show an older generator licence (EG-2003-0119) as still in effect for the Generation Facility (in the name of USE Canada Energy Corp.). This is an outdated licence, in the name of a former owner/operator of the Generation Facility, and should be cancelled.

Sincerely,

A handwritten signature in black ink, appearing to read 'R. King', written over a light blue horizontal line.

Richard J. King

c: Viive Sawler (Director of Licensing, OEB)  
Saleh Lavaee (Licensing, OEB)  
Peter Ruby (Counsel to Transferee)