

January 3, 2018

EMAIL & COURIER

Ms. Kirsten Walli
Board Secretary
Ontario Energy Board
2300 Yonge Street
27th Floor
Toronto, ON, M4P 1E4

EB-2018-0012

Dear Mr. Walli:

Re: Henvey Inlet Wind LP - Notice of Proposal Under Section 81

We are counsel to Henvey Inlet Wind GP Inc. ("**Henvey Wind GP**") and Henvey Inlet Wind LP ("**Henvey Wind LP**"). Henvey Wind GP is an Ontario corporation and the general partner of Henvey Wind LP, an Ontario limited partnership established for the purposes of developing, owning and operating the Henvey Inlet Wind Energy Centre ("**HIWEC**") on Henvey Inlet First Nation Reserve No. 2 (the "**Reserve**"), with transmission facilities running off the Reserve to deliver electricity generated by the HIWEC to the IESO-controlled electricity grid.

Section 81 of the *Ontario Energy Board Act, 1998* (the "**Act**") requires a generator that proposes to construct a transmission or distribution system in Ontario to first give notice to the Board of its proposal to do so. Henvey has applied for a generation licence concurrently with filing of this notice. The generation facility, being the HIWEC, will be connected to the IESO-controlled grid through Henvey's generator-owned and operated unlicensed transmission facilities. In addition, the HIWEC will include distribution voltage lines as part of its collection system. As such, this letter, together, with the attached documentation, constitutes a notice of proposal under section 81 of the *Act* (the "**Notice**"). A completed form of notice entitled "Preliminary Filing Requirements for a Notice of Proposal under Sections 80 and 81 of the *Ontario Energy Board Act, 1998*" (the "**Form**") is provided in **Schedule "A"**. The following summary is provided for context.

The Applicant

The HIWEC is being developed through a joint venture partnership between Nigig Power Corporation ("**Nigig**") and Pattern Renewable Holdings Canada ULC ("**Pattern Canada**"), a wholly owned indirect subsidiary of Pattern Energy Group LP ("**Pattern Development**"). The shares of Henvey Wind GP are held 50% by Nigig and 50% by Pattern Canada. The limited partnership interests in Henvey Wind LP are held 49.99% by Nigig, 49.99% by Pattern Canada, and 0.02% by Henvey Wind GP.

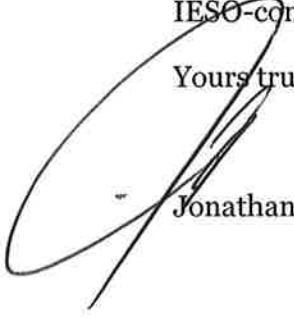
The Proposal

The HIWEC is a proposed 300 MW wind generation facility being developed pursuant to a contract issued under the Feed-in Tariff Program. In order to connect HIWEC to the IESO-controlled grid, Henvey plans to construct certain transmission facilities, consisting primarily of two substations on the Reserve, an approximately 103 km three-phase single circuit 230 kV overhead transmission line, and a switching station adjacent to Hydro One's existing Parry Sound TS. The HIWEC will also include 34.5 kV lines, totaling 106 km in length, that will comprise the collection system for delivering electricity generated at each wind turbine to the project substations, all of which will be situated on the Reserve. A more detailed description of the facilities that Henvey plans to construct is provided in section 1.5.1 of the Form. The transmission components of the project have been found by the Board to be in the public interest pursuant to section 96(2) of the Act (EB-2016-0310).

No Adverse Impact on Competition or Access

Henvey's construction of transmission and distribution facilities in connection with the HIWEC will not give rise to adverse impacts on the development or maintenance of a competitive market in Ontario. Henvey has entered into a fixed-price power purchase agreement under the Feed-in Tariff Program. The generation, transmission and distribution components of the project are being financed, and will be owned and operated by Henvey. The transmission and distribution facilities to be constructed by Henvey will be unlicensed and will be used only for purposes of conveying electricity from the HIWEC to the IESO-controlled grid. As such, these facilities will not be subject to open access requirements and will not be used to provide service to any customers. Moreover, electricity produced by the HIWEC will flow directly into the IESO-controlled grid and will not affect consumer choice.

Yours truly,



Jonathan Myers

cc: Mr. Jody Law, Henvey Inlet Wind LP

SCHEDULE “A”

**Preliminary Filing Requirements for Notice of Proposal Under Sections 80 and 81
of the *Ontario Energy Board Act, 1998***

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 Henvey Inlet Wind GP Inc. on behalf of Henvey Inlet Wind LP	File No: (Board Use Only)	
Address of Head Office 355 Adelaide St. W., Suite 100 Toronto, ON M5V 1S2	Telephone Number	416-263-8029
	Facsimile Number	416-979-8428
	E-mail Address	jody.law@patternenergy.com
Name of Individual to Contact Jody Law Senior Manager, Business Development	Telephone Number	416-263-8029
	Facsimile Number	416-979-8428
	E-mail Address	jody.law@patternenergy.com

1.1.2 Other Parties to the Transaction or Project

If more than one attach list

Name of Other Party Henvey Inlet Wind GP Inc.	Board Use Only	
Address of Head Office 355 Adelaide St. W., Suite 100 Toronto, ON M5V 1S2	Telephone Number	416-263-8029
	Facsimile Number	416-979-8428
	E-mail Address	jody.law@patternenergy.com

Name of Individual to Contact Jody Law Senior Manager, Business Development	Telephone Number	416-263-8029
	Facsimile Number	416-979-8428
	E-mail Address	jody.law@patternenergy.com

1.2 Relationship between Parties to the Transaction or Project

1.2.1	<p>Attach a list of the officers, directors and shareholders of each of the parties to the proposed transaction or project.</p> <p><u>HENVEY INLET WIND LP</u></p> <p>As a Limited Partnership, there are no officers or directors</p> <p>LP Unitholders</p> <p>49.99% Pattern Henvey Inlet LP Holdings LP 49.99% Nigig Power Corporation 0.02% Henvey Inlet Wind GP Inc.</p> <p><u>HENVEY INLET WIND GP INC.</u></p> <p>Officers</p> <p>Colin Edwards – President John Beaucage – Secretary Andrew Murray – Authorized Signatory Kim Sachtleben – Authorized Signatory Amy Smolen – Authorized Signatory Dyann Blaine – Authorized Signatory</p> <p>Directors</p> <p>Michael Garland Daniel Elkort John Beaucage Idon Biron</p> <p>Shareholders</p> <p>50% Pattern Henvey Inlet GP Holdings Inc. 50% Nigig Power Corporation</p>	
1.2.2	<p>Attach a corporate chart describing the relationship between each of the parties to the proposed transaction or project and each of their respective affiliates.</p> <p>See Appendix 'A'</p>	

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>Henvey Inlet Wind GP Inc. is an Ontario corporation and the general partner of Henvey Inlet Wind LP, an Ontario limited partnership established for the purposes of developing, owning and operating the Henvey Inlet Wind Energy Centre (“HIWEC”) on Henvey Inlet First Nation Reserve No. 2 (the “Reserve”). HIWEC is a 300 MW wind energy generation facility being developed pursuant to a contract issued by the former Ontario Power Authority under the Feed-in Tariff Program.</p> <p>The HIWEC is being developed through a joint venture partnership between Nigig Power Corporation (“Nigig”) and Pattern Renewable Holdings Canada ULC (“Pattern Canada”), a wholly owned indirect subsidiary of Pattern Energy Group LP. The shares of Henvey Wind GP are held 50% by Nigig and 50% by Pattern Canada. The limited partnership interests in Henvey Wind LP are held 49.99% by Nigig, 49.99% by Pattern Canada, and 0.02% by Henvey Wind GP.</p> <p>Nigig is an Ontario corporation that is wholly owned by Henvey Inlet First Nation, which is an Anishinabek community comprised of three reserve properties, one of which is the Reserve located on the northeast shore of Georgian Bay, approximately 70 km north of Parry Sound.</p> <p>Pattern Development is a leader in developing renewable energy and transmission assets through its expertise and experience in wind resource analysis, site development, finance, construction, operations and asset management.</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>No particular service territory will be served. As indicated in 1.3.1, the planned HIWEC will be located entirely on the Reserve, which is located to the southwest of the Town of Key River and to the northwest of the Town of Still River, Ontario. The electricity generated at HIWEC will flow to the IESO-controlled grid along transmission facilities for which HIWEC was granted leave to construct in EB-2016-0310. Those transmission facilities connect to Hydro One’s transmission system adjacent to its existing Parry Sound TS.</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>As HIWEC has not yet commenced commercial operations, Henvey has no annual sales information to report.</p>	
1.3.4	<p>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.</p> <p>Henvey received leave to construct from the OEB on May 18, 2017 (EB-2016-0310). An application under section 99 of the <i>Ontario Energy Board Act</i> for authority to expropriate certain interests in lands required for the construction of electricity transmission facilities (EB-2017-0294) is currently before the Board. An application under section 60 of the <i>Ontario Energy Board Act, 1998</i> for a generation licence is being filed concurrently with this Notice of Proposal.</p>	

1.4 Current Competitive Characteristics of the Market

1.4.1	<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, prior to the completion of the proposed transaction or project.</p> <p>Prior to the completion of the planned HIWEC Henvey does not have any generation capacity within the Province of Ontario.</p>	
1.4.2	<p>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.</p> <p>Prior to the completion of the planned HIWEC Henvey does not have any market share within the Province of Ontario.</p>	

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 HIWEC is a proposed 300 MW wind generation facility being developed pursuant to a contract issued by the former Ontario Power Authority under the FIT Program. HIWEC consists of the following transmission and interconnection facilities:</p> <ul style="list-style-type: none"> a) a substation located on the Reserve and sited approximately 0.4 km north of the Henvey Inlet and 0.6 km west of Provincial Highway 69, at which power from the 34.5 kV collection system associated with the northern portion of the HIWEC will be transformed from 34.5 kV to 230 kV by means of one 230 kV/34.5 kV step-up transformer rated at 105/140/175 MVA, with under load tap changer (“North Project Substation”); b) a substation located on the Reserve and sited approximately 1.2 km south of the Henvey Inlet and 6.5 km west of Provincial Highway 69, at which power from the 34.5 kV collection system associated with the southern portion of the HIWEC will be transformed from 34.5 kV to 230 kV by means of one 230 kV/34.5 kV step-up transformer rated at 105/140/175 MVA, with under load tap changer (“South Project Substation”); c) an approximately 103 km single circuit, overhead, 230 kV transmission line (the “Transmission Line”), comprised of: <ul style="list-style-type: none"> i. an approximately 8 km segment running from the North Project Substation, and an approximately 6 km segment running from the South Project Substation, to a point on the Reserve where these two segments join together (the “Tap Point”); and ii. an approximately 89 km segment that runs from the Tap Point to the Switching Station (described below); d) a 230 kV switching station located on BLK B, C, D, E, F PL 295; PT LT 129 FOLEY PT 1 42R3535 E of PT 1, 2 42R14465; S/T RO89192; S/T RO31587, RO44832, in the Township of Seguin (PIN 52182-1013), adjacent to Hydro One’s existing E26 and E27 circuits, and located approximately 0.6 km east of Hydro One’s existing Parry Sound TS (the “Switching Station”); and e) an approximately 180 m line tap from the Switching Station to Hydro One’s E26 and E27 circuits (the “Line Tap”). 	
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	<p>The planned routing for the Transmission Line segment described in (c)(ii), above would run through each of the Magnetawan First Nation Reserve and the Shawanaga First Nation Reserve.</p> <p>In addition, the HIWEC will include approximately 106 km of 34.5 kV lines comprising the collection system, which conveys electricity generated by each wind turbine to the project substations, all of which is located on the Reserve.</p>	
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>Subsequent to the completion of the planned HIWEC, Henvey will have a total generation capacity of 300 MW with the Province of Ontario. This is comprised entirely of the capacity of the HIWEC.</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>According to IESO market data, the Total Annual Ontario Energy Demand for 2016 was 137 TWh. The anticipated production from the HIWEC represents a nominal percentage of the Annual Primary Demand for Ontario.</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>The proposed project will not impact competition. Henvey has entered into a fixed-price power purchase agreement with the former OPA under the Feed-in Tariff Program. The generation, transmission and distribution components of the project are being financed by Henvey, and not by ratepayers. Electricity produced by the project will flow directly into the IESO-controlled grid and will not affect consumer choice. The transmission components of the project have been found by the Board to be in the public interest pursuant to section 96(2) of the OEB Act (EB-2016-0310).</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>The proposed project will have no impact on open access. The distribution and transmission facilities to be constructed by Henvey will be unlicensed distribution and transmission systems used only for purposes of conveying electricity from the HIWEC to the IESO-controlled grid and, therefore, will not be subject to open access requirements.</p>	

1.6 Other Information

1.6.1	<p>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.</p> <p>Henvey is not currently licensed by the Board and is therefore not currently governed by any code requirements. Henvey has applied for a generation licence concurrently with the filing</p>	
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	of this Notice of Proposal. Should the Board grant the generation licence, Henvey confirms its intention to comply with the requirements of such licence and applicable codes.	
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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.

NOT APPLICABLE

2.1 Effect on Competition

2.1.1	Describe whether the proposed generation output will be primarily offered into the IAM, sold via bilateral contracts, or for own use.	
2.1.2	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.	
2.1.3	Provide details on whether the generation facility is expected to sign a “must run” contract with the IESO.	
2.1.4	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.	

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.

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.

3.1 Effect on Competition

3.1.1	Provide a description of the transmission or distribution system being acquired or constructed. Please see response to 1.5.1 above.	
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. The generation facility, being the HIWEC, will be connected to the IESO-controlled grid through Henvey's generator-owned and operated transmission facilities, which will be connected to Hydro One's transmission system at Hydro One's existing E26 and E27 circuits, adjacent to Hydro One's existing Parry Sound TS.	
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. The facility does not serve a "load pocket", nor is it likely to be constrained on.	
3.1.4	Provide details on whether the generation facilities are expected to sign a "must run" contract with the IESO. The generation facilities are not 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
M4P 1E4

Telephone:	416-481-1967
Toll Free Number:	1-888-632-6273
Fax:	416-440-7656
Website:	http://www.oeb.gov.on.ca
Board Secretary's e-mail address:	boardsec@oeb.gov.on.ca

**APPENDIX “A” – HENVEY INLET WIND LP ORGANIZATIONAL CHART
(as of December 19, 2017)**

**Henvey Inlet Wind LP
Organizational Chart
As of December 19, 2017**

CONFIDENTIAL INFORMATION

