



PETERBOROUGH UTILITIES INC.

2245 Keene Road, PO Box 4125, Station Main
Peterborough ON K9J 6Z5

June 25, 2018

Board Secretary
Ontario Energy Board
PO Box 2319
2300 Yonge Street, 27th floor
Toronto ON M4P 1E4

RECEIVED

JUL 13 2018

ONTARIO ENERGY BOARD

Dear Ms. Walli:

Peterborough Utilities Inc.

Section 80 Notice

10 MW Hydroelectric Generation Project

EB-2018-0232

Pursuant to section 80 of the Ontario Energy Board Act, 1998, please find enclosed a notice in respect of the above-stated project.

Peterborough Utilities Inc. (PUI) is completing the transfer of London Street Generating Station, recently expanded from 4 to 10 MW through our affiliate, London Street Power Corporation. The transfer of the facility to PUI, who wholly own London Street Power Corporation, will consolidate the ownership of the asset within PUI's corporate structure.

As an affiliate of a distributor, Peterborough Distribution Inc., the Applicant is required to provide notice of its intent to acquire an interest in generation under section 80 of the Ontario Energy Board Act.

The Applicant respectfully submits that a review of the section 80 notice for this project is not necessary. In keeping with the fundamental principles of the *Green Energy Act* the Applicant is pursuing the ownership of a renewable energy facility. On April 1st 2014 Peterborough Utilities Inc. executed the First Amending Agreement to HCL Contract #HCL-0001 with the Independent Electricity System Operator (IESO) to expand the generation capacity of its existing 4 MW London Street Generation Station through the addition of a new 6 MW hydropower facility.

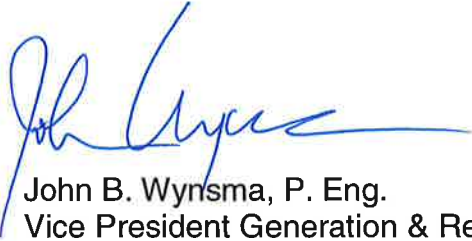
Upon completion of the 6 MW expansion project, the total generation capacity under ownership or control by the Applicant and its affiliates increased to approximately 40 MW, only a fraction of the total generation supply volume in the Province of Ontario.

However, in the event that the Board does proceed to review the project pursuant to section 82 (b), the Applicant submits that, for the reasons stated above, the impact of

the project would not adversely affect the development and maintenance of a competitive market.

Please do not hesitate to contact the undersigned should you have any questions or concerns.

Yours very truly,



John B. Wynsma, P. Eng.
Vice President Generation & Retail Services
Telephone (705) 748-9301 ext 1248
Fax (705) 743-5988
E-mail jwynsma@pui.ca

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	File No: (Board Use Only)	
Peterborough Utilities Inc.	2018-0232	
Address of Head Office 1867 Ashburnham Drive Peterborough ON, K9J 6Z5	Telephone Number	
	705-748-9300	
	Facsimile Number	
	705-748-4358	
Name of Individual to Contact John Wynsma Vice President	E-mail Address	
	jwynsma@pui.ca	
	Telephone Number	
	705-748-9301 ext. 1248	
	Facsimile Number	
	705-743-5988	
	E-mail Address	
	jwynsma@pui.ca	

1.1.2 Other Parties to the Transaction or Project

If more than one attach list

Name of Other Party	Board Use Only	
Address of Head Office	Telephone Number	
	Facsimile Number	
	E-mail Address	
Name of Individual to Contact	Telephone Number	
	Facsimile Number	
	E-mail Address	

1.2 Relationship between Parties to the Transaction or Project

1.2.1	Attach a list of the officers, directors and shareholders of each of the parties to the proposed transaction or project.	
	<p><u>PARTY</u></p> <p><u>London Street Power Corporation</u> John Wynsma, Director Bill Davie, Director</p> <p><u>PETERBOROUGH UTILITIES INC. (100% Shareholder of Applicant providing financial support)</u> Shareholder – City of Peterborough Holdings Inc. John Stephenson, President & CEO Bill Davie, Chief Financial Officer John Wynsma, Vice President, Generation & Retail Services Scott Baker, Director Dave Bignell, Director Mayor Daryl Bennet, Director</p> <p><u>AFFILIATES OF THE PARTY</u></p> <p><u>CITY OF PETERBOROUGH HOLDINGS INC. (100% Shareholder of PUI providing financial support to Applicant)</u> Shareholder – Corporation of the City of Peterborough John Stephenson, President & CEO Bill Davie, CFO & Vice President of Corporate Services Mayor Daryl Bennet, Director David Paterson, Director Scott Baker, Director Dave Bignell, Director Nancy Brown Andison, Director Councilor Dan McWilliams, Director Louise Lalonde, Director Bryan Weir, Director David Clark, Director</p>	

	<p><u>PETERBOROUGH DISTRIBUTION INC. (Local Distribution Company and affiliate of the Applicant)</u> Shareholder – City of Peterborough Holdings Inc. John Stephenson, President & CEO Bill Davie, Chief Financial Officer Mike Ploc, Vice President Electric Services Councilor Dan McWilliams, Director Bryan Weir, Director David Paterson, Director</p>	
1.2.2	Attach a corporate chart describing the relationship between each of the parties to the proposed transaction or project and each of their respective affiliates.	
	Refer to Schedule 1.2.2	

1.3 Description of the Businesses of Each of the Parties

1.3.1	Attach a description of the business of each of the parties to the proposed transaction or project, including each of their affiliates licensed 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 licensed under the OEB Act in Ontario ("Electricity Sector Affiliates").	
	<p><u>London Street Power Corporation.</u> is wholly owned by the Peterborough Utilities Inc. It owns and operates the assets associated with the generation of electrical power as provided under Electricity Generation License EG-2003-0110.</p> <p><u>Peterborough Utilities Inc.</u> is wholly owned by the City of Peterborough Holdings Inc. and provides financial support to its subsidiaries.</p> <p><u>City of Peterborough Holdings Inc.</u> is wholly owned by the Corporation of the City of Peterborough. It is a holding company that owns 100% of two organizations licensed under the OEB Act, Peterborough Utilities Inc. and Peterborough Distribution Inc.</p> <p><u>Peterborough Distribution Inc.</u> is wholly owned by the City of Peterborough Holdings Inc. It owns, operates and manages the assets associated with the distribution of electrical power within the geographic territory described in its Electricity Distribution License ED-2002-0504.</p> <p><u>Trent Energy Inc.</u> is wholly owned by Peterborough Utilities Inc. It owns and operates the assets associated with the generation of electrical power as provided under Electricity Generation License EG-2012-0413.</p> <p><u>LFG Power Corporation</u> is wholly owned by Peterborough Utilities Inc. It owns and operates the assets associated with the generation of electrical power as provided under Electricity Generation License EG-2012-0378.</p> <p><u>Lily Lake Solar Inc.</u> is wholly owned by Peterborough Utilities Inc. It owns and operates the assets associated with the generation of electrical power as provided under Electricity Generation License EG-2011-0407.</p> <p><u>Trent Rapids Power Corporation</u> is wholly owned by Peterborough Utilities Inc. It owns and operates the assets associated with the generation of electrical power as provided under Electricity Generation License EG-2007-0676.</p> <p><u>Campbellford Seymour Electricity Generation Inc.</u> is wholly owned by Peterborough Utilities Inc. It owns and operates the assets associated with the generation of electrical power as provided under Electricity Generation License EG-2003-0111.</p>	
1.3.2	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><u>London Street Power Corporation</u> currently owns the assets associated with the London Street Generation Station, located at 51 London Street, Peterborough.</p> <p><u>Peterborough Utilities Inc.</u> will own and operates the assets associated with London Street GS located within the City of Peterborough embedded within the distribution service territory of Peterborough Distribution Inc.</p> <p><u>Peterborough Distribution Inc.</u>'s service territories are the City of Peterborough, Town of</p>	

	<p>Lakefield and Village of Norwood.</p> <p>Trent Energy Inc. owns and operates one hydroelectric generating station within the City of Peterborough embedded within the distribution service territory of Peterborough Distribution Inc.</p> <p>LFG Power Corporation owns and operates one landfill gas generating station within the Township of Otonabee-South Monaghan, County of Peterborough embedded within the distribution service territory of Hydro One Networks Inc.</p> <p>Lily Lake Solar Inc. owns and operates one ground mount solar facility within the Township of Selwyn, County of Peterborough embedded within the distribution service territory of Hydro One Networks Inc.</p> <p>Trent Rapids Power Corporation owns and operates one hydroelectric generating station within the City of Peterborough embedded within the distribution service territory of Peterborough Distribution Inc.</p> <p>Campbellford Seymour Electricity Generation Inc. owns and operates two hydroelectric generating stations within the Municipality of Trent Hills embedded within the distribution service territory of Hydro One Networks Inc.</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>London Street Power Corporation. generated 57,156 MWh with sales of \$7,083 thousand for fiscal year ending December 31, 2017.</p> <p>Trent Energy Inc. generated 23,155 MWh with sales of \$3,683 thousand for fiscal year ending December 31, 2014.</p> <p>LFG Power Corporation generated 5,324 MWh with sales of \$635 thousand for the fiscal year ending December 31, 2014.</p> <p>Lily Lake Solar Inc. generated 13,033 MWh with sales of \$5,474 thousand for fiscal year ending December 31, 2014.</p> <p>Trent Rapids Power Corporation generated 33,472 MWh with sales of \$4,873 thousand for fiscal year ending December 31, 2014.</p> <p>Campbellford Seymour Electricity Generation Inc. generated 12,395 MWh with sales of \$1,489 thousand for fiscal year ending December 31, 2014.</p> <p>Consolidated generation and annual sales of Peterborough Utilities Inc. and its affiliates amount to 150,448 MWh and \$24,134 thousand respectively for the fiscal year ending December 31, 2017. Peterborough Distribution Inc. does not own any generation assets.</p>	
1.3.4	<p>Attach a list identifying all relevant Board licenses 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>London Street Power Corporation. holds Electricity Generation License EG-2003-0110. This license will be amended to transfer the generation and operations of the Facility to Peterborough Utilities Inc.</p> <p>Trent Energy Inc. holds Electricity Generation License EG-2012-0413.</p> <p>LFG Power Corporation holds Electricity Generation License EG-2012-0378.</p> <p>Lily Lake Solar Inc. holds Generation License EG-2011-0407.</p> <p>Trent Rapids Power Corporation holds Electricity Generation License EG-2007-0676.</p> <p>Campbellford Seymour Electricity Generation Inc. holds Electricity Generation License EG-2003-0111.</p> <p>Peterborough Distribution Inc. holds Electricity Distribution Licenses ED-2002-0504.</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>London Street Power Corporation. owns one hydroelectric generating station with a capacity of</p>	

	<p>10 MW.</p> <p>Trent Energy Inc. owns and operates one hydroelectric generating station with a capacity of 3.9 MW.</p> <p>LFG Power Corporation owns and operates one hydroelectric generating station with a capacity of 1.6 MW.</p> <p>Lily Lake Solar Inc. owns and operates one ground mount solar facility with a capacity of 10 MW.</p> <p>Trent Rapids Power Corporation owns and operates one hydroelectric generating station with a capacity of 8 MW.</p> <p>Campbellford Seymour Electricity Generation Inc. owns and operates one hydroelectric generating station with a capacity of 6 MW.</p> <p>Consolidated generation capacity of Peterborough Utilities Inc. and its affiliates is 40 MW.</p> <p>Peterborough Distribution Inc does not own or operate any electricity generation assets.</p>	
1.4.2	Attach a corporate chart describing the relationship between each of the parties to the proposed transaction or project and each of their respective affiliates.	
	Refer to Schedule 1.2.2	

1.5 Description of the Proposed Transaction or Project and Impact on Competition - General

1.5.1	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>London Street Power Corporation completed and expansion of 6 MW to the existing London Street GS hydroelectric generating station in early 2017. The hydroelectric generating station is located within the City of Peterborough on the Otonabee River. The Facility is connected directly to both Peterborough Distribution Inc.'s 44 kV M26 and M4 feeders. An LDC owned in-line disconnect switches allows the LDC to isolate the generation facilities from the local distribution grid and provide some flexibility in connection of the facilities during emergency situations.</p>	
1.5.2	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>Peterborough Utilities Inc. Generating Capacity will be 10 MW.</p> <p>London Street Power Corp.'s generating capacity will be reduced by 10 MW as the existing generating facility is transferred to Peterborough Utilities Inc.</p> <p>Trent Energy Inc.'s generation capacity will remain unchanged and equal to 3.9 MW.</p> <p>LFG Power Corporation's generation capacity will remain equal to 1.6 MW.</p> <p>Lily Lake Solar Inc.'s generating capacity will remain unchanged and equal to 10 MW.</p> <p>Campbellford Seymour Electricity Generation Inc.'s generating capacity will remain unchanged and equal to 6 MW.</p> <p>Trent Rapids Power Corporation's generating capacity will remain unchanged and equal to 8 MW.</p> <p>In total, Peterborough Utilities Inc. and its wholly owned affiliates will have a generating capacity equal to 40 MW following the proposed transaction.</p> <p>Peterborough Distribution Inc. does not own or operate any electricity generation assets.</p>	
1.5.3	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>Peterborough Utilities Inc.'s average annual generation will equal 40,500 MWh.</p> <p>Trent Energy Inc.'s average annual generation will equal 18,000 MWh.</p> <p>LFG Power Corporation's average annual generation will equal 8,000 MWh.</p> <p>Lily Lake Solar Inc.'s average annual generation will equal 13,200 MWh.</p> <p>Trent Rapids Power Corporation's average annual generation will equal 31,500 MWh.</p> <p>Campbellford Seymour Electricity Generation Inc.'s average annual generation will equal</p>	

	<p>33,800 MWh.</p> <p>In total, Peterborough Utilities Inc. and its wholly owned affiliates, including the Applicant, anticipate to generate 145,000 MWh annually.</p> <p>In year 2017, Ontario's energy consumption was 132.1 TWh. Peterborough Utilities and its wholly own affiliate's market share is approximately 0.07% of the annual energy consumption in the Province of 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 transaction will have no impact on competition. The transaction involves the transfer of an existing operating asset from London Street Power Corporation to Peterborough Utilities Inc. The generating station obtained a Hydroelectric Contract Initiative with the Independent Electricity System Operator (IESO), and a Connection Agreement with Hydro One Networks Inc. through an open and transparent process. The facilities electrical energy is being sold to the IESO for a 20-year term, comprises only a small fraction of the overall provincial electricity supply, and will not impact upon customer choice on generation, energy wholesalers and energy retailers.</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 facility has no impact on open access to the transmission system of Hydro One Networks Inc. or the local distribution system of Peterborough Distribution Inc. Hydro One Networks Inc. and Peterborough Distribution Inc. continue to provide open access to their transmission and distribution systems, respectively; accept applications for connection of generation projects to their systems; and allocate capacity in accordance with applicable legislation in coordination with various procurement processes being undertaken by the IESO.</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 license and code requirements, and will continue to be in compliance after completion of the proposed transaction or project.</p>	
	<p>Applicant hereby confirms that it is compliance with all license and code requirements and will continue to be in compliance after completion of the proposed transaction.</p>	

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.

2.1 Effect on Competition

2.1.2	<p>Describe whether the proposed generation output will be primarily offered into the IAM, sold via bilateral contracts, or for own use.</p>	
	<p>Generation will be injected into the distribution systems and sold to the IESO pursuant to Hydroelectric Contract Initiative #HCI-0001.</p>	
2.1.3	<p>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.</p>	
	<p>The generation is Hydroelectric. The facility utilizes the Otonabee River and operates as a run of the river facility having a maximum capacity is 10 MW. Typically, the facility generates approximate 40, 500 MWh per annum. In general, the facility is self scheduling and operate approximately 8,700 hours per year with a capacity varying between 1 and 10 MW based on river flows.</p>	
2.1.4	<p>Provide details on whether the generation facility is expected to sign a "must run" contract with the</p>	

	IESO.	
	Not applicable.	
2.1.5	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.	
	Not applicable.	

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.	
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.	
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.	
3.1.4	Provide details on whether the generation facilities are expected to sign a “must run” contract with the IESO.	

How to Contact the Ontario Energy Board

The Ontario Energy Board is located at:

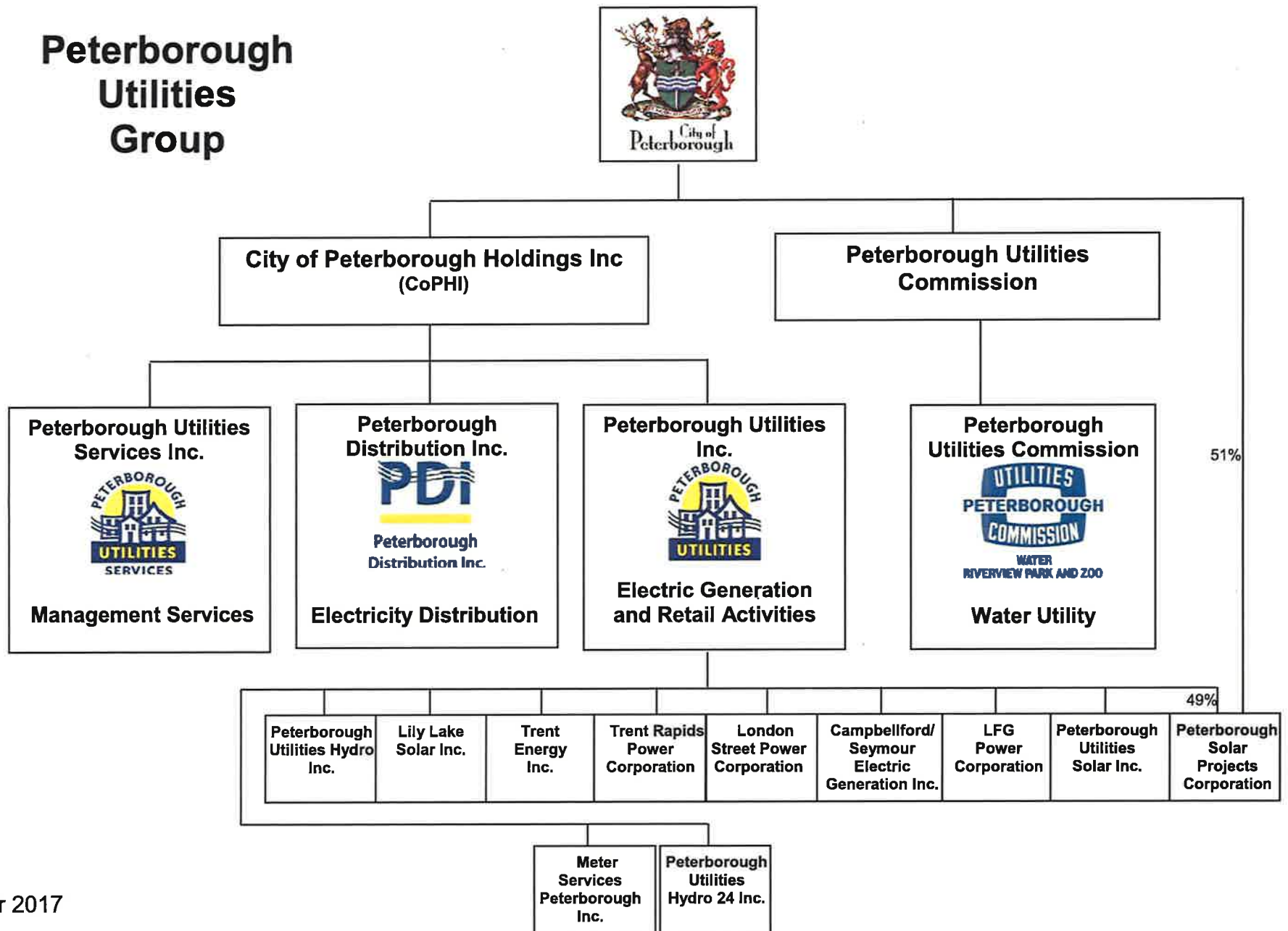
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Website:	http://www.oeb.gov.on.ca
Board Secretary's e-mail address:	boardsec@oeb.gov.on.ca

SCHEDULE 1.2.2

CORPORATE ORGANIZATION CHART

Peterborough Utilities Group



October 2017