

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 VERIDIAN CORPORATION	File No: (Board Use Only)	
Address of Head Office 55 TAUNTON ROAD EAST AJAX, ONTARIO L1T 3V3	Telephone Number 905 427 9870	
	Facsimile Number 905 619 0210	
	E-mail Address generalinquiry@veridian.on.ca	
Name of Individual to Contact Michael Angemeer President and CEO Veridian Corporation	Telephone Number 905 427 9870 EXT. 2200	
	Facsimile Number 905 619 0210	
	E-mail Address mangemeer@veridian.on.ca	

1.1.2 Other Parties to the Transaction or Project

If more than one attach list

Name of Other Party THE CORPORATION OF THE CITY OF BELLEVILLE	Board Use Only	
Address of Head Office 169 FRONT STREET BELLEVILLE, ONTARIO K8N 2Y8	Telephone Number (613) 968 6481	
	Facsimile Number N/A	
	E-mail Address N/A	
Name of Individual to Contact Mark Fluhrer Director, Recreation, Culture and Community Services	Telephone Number 613-967-3217	
	Facsimile Number 613-967-3207	
	E-mail Address mfluhrer@city.belleville.on.ca	

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>Veridian Corporation is the sole shareholder of Veridian Connections Inc.</p> <p>The shareholders of Veridian Corporation are: (a) The Corporation of the City of Pickering (41%); (b) The Corporation of the Town of Ajax (32.1%); (c) The Corporation of the Municipality of Clarington (13.6%); and (d) The Corporation of the City of Belleville (13.3%).</p> <p>The directors of Veridian Corporation are Adrian Foster, Kevin Ashe, Murray Angus, Ron Chatterton, Shaun Collier, Joanne Dies, Karen Fisher, James Macpherson, Mitch Panciuk, David Pickles, and David Ryan.</p> <p>The officers of Veridian Corporation are: (a) Michael Angemeer, President; (b) George Armstrong, Vice President; (c) Kevin Ashe, Vice Chair; (d) Adrian Foster, Chair; and (e) Laurie McLorg, Treasurer.</p> <p>The directors of Veridian Connections Inc. are: (a) Kevin Ashe; (b) Joanne Dies; (c) Adrian Foster; (d) Mitch Panciuk; (d) Douglas Parker; (e) Steve DeBoer; (f) David Ryan; (f) Shaun Collier; (g) Ted Baker; (h) David McGregor; and (i) David Pickles.</p> <p>The officers of Veridian Connections Inc. are: (a) Michael Angemeer, President; (b) George Armstrong, Vice President; (c) Kevin Ashe, Vice Chair; (d) Adrian Foster, Chair; and (e) Laurie McLorg, Treasurer.</p> <p>The project is to be located at Quinte Sports and Wellness Centre, 265 Cannifton Road, Belleville, ON. The Quinte Sports and Wellness Centre is owned by The Corporation of the City of Belleville, being a shareholder of Veridian Corporation as to a 13.3% interest and is a municipal corporation.</p>	

Quinte Sports and Wellness Centre CHP

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.
<pre>graph TD; A["The Corporation of the City of Pickering (41%)"] --- B["Veridian Corporation"]; C["The Corporation of the Town of Ajax (32.1%)"] --- B; D["The Corporation of the Municipality of Clarington (13.6%)"] --- B; E["The Corporation of the City of Belleville (13.3%)"] --- B; B -- "100%" --> F["Veridian Connections Inc. (Regulated Entity)"]; B --> G["Veridian Corporation direct contract with The Corporation of the City of Belleville."]; G --> H["The Corporation of the City of Belleville, Quinte Sports & Wellness Centre, 265 Cannifton Rd., Belleville, Ontario K8N 4V8"]; style G fill:none,stroke:none;</pre> <p>The chart illustrates the corporate structure. At the top, four municipalities are listed: The Corporation of the City of Pickering (41%), The Corporation of the Town of Ajax (32.1%), The Corporation of the Municipality of Clarington (13.6%), and The Corporation of the City of Belleville (13.3%). Arrows from these four entities converge on a central box labeled 'Veridian Corporation'. From 'Veridian Corporation', an arrow points to a box labeled 'Veridian Connections Inc. (Regulated Entity)' with a '100%' ownership label. Another arrow points from 'Veridian Corporation' to a box stating 'Veridian Corporation direct contract with The Corporation of the City of Belleville.'. A final arrow points from this contract box to a box detailing the location: 'The Corporation of the City of Belleville, Quinte Sports & Wellness Centre, 265 Cannifton Rd., Belleville, Ontario K8N 4V8'.</p>	

1.3 Description of the Businesses of Each of the Parties

<p>1.3.1</p>	<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>Veridian Corporation is the sole shareholder of Veridian Connections Inc. Veridian Corporation is owned by 4 municipal shareholders in the proportions set forth in Section 1.2.2. In addition to the ownership interest in Veridian Connections Inc., Veridian Corporation is engaged in the development and ownership of generation facilities.</p> <p>Veridian Connections Inc. is licenced by the OEB pursuant to an electricity distribution licence (ED-2002-0503) and provides electricity distribution services in the City of Pickering, the Town of Ajax, the Municipality of Clarington, the Township of Uxbridge, the Town of Port Hope, the Township of Brock, the Township of Scugog, the City of Belleville, and the Town of Gravenhurst.</p> <p>Each of Veridian Corporation and Veridian Connections Inc. have headquarters located in Ajax, Ontario.</p> <p>The nine communities in which Veridian Connections Inc. provides distribution services are located within southern Ontario. Veridian Connections Inc. owns and operates renewable electricity generation facilities.</p> <p>The Project consists of a 195 kW behind-the-meter cogeneration facility to be located at the Quinte Sports & Wellness Centre, located at 265 Cannifton Road, Belleville, Ontario K8N 4V8, which is owned and operated by The Corporation of the City of Belleville. Veridian Corporation has entered into a Project Incentive Contract with Veridian Connections Inc. pursuant to the Process and System Upgrade Program. Veridian Corporation will own and operate the cogeneration facility.</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>Veridian Connections Inc. provides electricity distribution services in the City of Pickering, the Town of Ajax, the Municipality of Clarington, the Township of Uxbridge, the Town of Port Hope, the Township of Brock, the Township of Scugog, the City of Belleville, and the Town of Gravenhurst.</p> <p>Veridian Connections Inc. owns and operates two renewable solar generation projects located at 55 Taunton Road East, Ajax and 4941 Old Brock Road, Pickering.</p> <p>Veridian Connections Inc. is an applicant with respect to a proposed solar generation project to be located at 739 D’Arcy Street, Cobourg, Ontario (Building 13). The Ontario Energy Board has assigned File No. EB-2019-0096 to the application.</p>	
1.3.3	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.	
	Veridian Connections Inc. owns two renewable solar generation facilities located at 55 Taunton Rd. E., Ajax and 4941 Old Brock Rd., Pickering. The 55 Taunton Rd. E, Ajax facility generated 148.3 MWh of electricity and had sales of \$105,650 in 2017. The 4941 Old Brock Rd, Pickering facility generated 123.6 MWh of electricity and had sales of \$66,750 in 2017.	
1.3.4	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.	
	Veridian Connections Inc. is the holder of a distribution licence (ED-2002-0503).	

1.4 Current Competitive Characteristics of the Market

1.4.1	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>The total generation capacity and energy produced by the parties to the project, including their electricity sector affiliates, prior to the completion of the proposed project is 0.327 MW and 384.7 MWh.</p> <table border="1"> <thead> <tr> <th>Licensee</th> <th>Location</th> <th>Type</th> <th>Capacity (MW)</th> <th>Energy (MWh)</th> </tr> </thead> <tbody> <tr> <td>VCI</td> <td>55 Taunton Rd. E, Ajax</td> <td>Solar</td> <td>0.120.</td> <td>148.3 (2017 Actual)</td> </tr> <tr> <td>VCI</td> <td>49491 Old Brock Rd Pickering</td> <td>Solar</td> <td>0.101</td> <td>123.6 (2017 Actual)</td> </tr> <tr> <td>VCI</td> <td>739 D’Arcy St Cobourg</td> <td>Solar</td> <td>0.106</td> <td>112.8 (Estimated)</td> </tr> <tr> <td colspan="3">Total Capacity (MW) and Energy (MWh)</td> <td>0.327</td> <td>384.7</td> </tr> </tbody> </table> <p>Note: VCI = Veridian Connections Inc.</p>	Licensee	Location	Type	Capacity (MW)	Energy (MWh)	VCI	55 Taunton Rd. E, Ajax	Solar	0.120.	148.3 (2017 Actual)	VCI	49491 Old Brock Rd Pickering	Solar	0.101	123.6 (2017 Actual)	VCI	739 D’Arcy St Cobourg	Solar	0.106	112.8 (Estimated)	Total Capacity (MW) and Energy (MWh)			0.327	384.7	
Licensee	Location	Type	Capacity (MW)	Energy (MWh)																							
VCI	55 Taunton Rd. E, Ajax	Solar	0.120.	148.3 (2017 Actual)																							
VCI	49491 Old Brock Rd Pickering	Solar	0.101	123.6 (2017 Actual)																							
VCI	739 D’Arcy St Cobourg	Solar	0.106	112.8 (Estimated)																							
Total Capacity (MW) and Energy (MWh)			0.327	384.7																							

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>The total Annual Ontario Energy Demand for 2017 was 132.1 TWh (132,100,000 MWh), as reported by the IESO (http://www.ieso.ca/corporate-ieso/media/year-end-data). The generation capacity of the facilities owned by Veridian Connections Inc. in 2017 was 271.9 MWh or 0.000206% of the 2017 Annual Primary Demand within the Province of Ontario. Veridian Corporation does not currently own any generation assets.</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 project is to be located at the Quinte Sports & Wellness Centre, 265 Cannifton Rd., Belleville, Ontario K8N-4V8.</p> <p>The project consists of a cogeneration facility having an electricity generation capacity of 195 kW. Veridian Corporation has entered into an Energy Services Agreement with The Corporation of the City of Belleville. The electricity to be produced by the proposed cogeneration facility will be consumed behind-the-meter, and the thermal energy produced will be used for the building, making the project a very efficient generation facility.</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>The total generation capacity of existing generation facilities, including the proposed facility by each of Veridian Connections Inc. and Veridian Corporation is 0.522 MW. The Applicant does not consider that there will be any impact on generation capacity within the Province of Ontario as a result of the project.</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>As noted above, the total Annual Ontario Energy Demand for 2017 was 132.1 TWh (132,100,000 MWh), as reported by the IESO (http://www.ieso.ca/corporate-ieso/media/year-end-data). The market share of the project including existing generation facilities, will be approximately 1,955.7 MWh (approximately 0.00148% of the total Annual Ontario Energy Demand for 2017).</p> <p>Note: The 1,955.7 MWh is calculated based on 2017 actual production for the generators currently in service and estimated for those generators not currently in service.</p>	

1.5.4	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.	
	The project does not have any impact on competition. Customer choice with respect to generation, energy wholesalers and/or energy retailers will not be affected by the project. The electrical energy produced by the project will be wholly consumed by the Quinte Sports & Wellness Centre.	
1.5.5	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.	
	The project does not have any impact on open access to the transmission or distribution system of the parties or their affiliates. The Corporation of the City of Belleville's Quinte Sports & Wellness Centre will utilize all of the electrical energy generated by the project.	

1.6 Other Information

1.6.1	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>To the best of its knowledge, Veridian Corporation is in compliance with all licence and code requirements and will continue to be in compliance after completion of the proposed project.</p> <p>To the best of its knowledge, Veridian Connections Inc. is in compliance with all licence and code requirements and will continue to be in compliance after completion of the proposed project.</p> <p>To the best of its knowledge, The Corporation of the City of Belleville, is in compliance with all licence and code requirements and will continue to be in compliance after completion of the proposed project.</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	Describe whether the proposed generation output will be primarily offered into the IAM, sold via bilateral contracts, or for own use.	
	The generation output is for the sole use of The Corporation of the City of Belleville at the project site.	
2.1.3	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.	
	The project consists of a natural gas fueled cogeneration facility, having a maximum capacity output of 195 kw and is expected to have <u>approximately 8,050</u> hours of full-output operation in a year. The estimated annual generation for the project is 1,571 MWh. The project has a base-load character.	
2.1.4	Provide details on whether the generation facility is expected to sign a “must run” contract with the IESO.	
	The project will not be a ‘must run’ facility with the IESO.	
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.	
	The project is not expected to serve a ‘load pocket’ and is not 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.

This section is not applicable because the project is not required for system reliability under Section 82(2) 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.

This section is not applicable to the proposed project.

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:

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