John A.D. Vellone T (416) 367-6730 F 416.367.6749 jvellone@blg.com Borden Ladner Gervais LLP Bay Adelaide Centre, East Tower 22 Adelaide Street West Toronto, ON, Canada M5H 4E3 T 416.367.6000 F 416.367.6749 blg.com



March 4, 2019

## **Delivered by Email**

Ms. Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street 27th Floor, Box 2319 Toronto, ON M4P 1E4

Dear Ms. Walli:

## Re: Notice of Proposal under Section 80 of the *Ontario Energy Board Act, 1998* ("Notice of Proposal") Veridian Connections Inc. and Lakefront Utilities Inc.

We are counsel to Veridian Connections Inc. ("Veridian") and Lakefront Utilities Inc. ("Lakefront").

We have been informed that there was an inadvertent error in Lakefront's Notice of Proposal, which was filed on February 14, 2019 with the Ontario Energy Board ("OEB"), together with Veridian and Claremont Community Centre's Notice of Proposals. The OEB contacted Lakefront and informed them that the Section 80 application for a generator project needed to be in the name of the generator owner (Lakefront Utility Services Inc.), rather than the LDC (Lakefront Utilities Inc.). Therefore, Lakefront's Notice of Proposal has been revised accordingly to have Lakefront Utility Services Inc. as the Applicant.

Please find enclosed the corrected Lakefront Notice of Proposal to replace the one filed on February 14, 2019.

Should you have any questions or require further information in this regard, please do not hesitate to contact me.

Sincerely,

## **BORDEN LADNER GERVAIS LLP** Per:

Original signed by John A.D. Vellone

## John A.D. Vellone

cc. George Armstrong, Veridian Mark Turney, Mark Turney Enterprises Inc.

# **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 LAKEFRONT UTILITY SERVICES INC.	File No: (Board Use Only)	
Address of Head Office 207 Division Street Cobourg, Ontario K9A 4L3	Telephone Number 905 372 2193 Facsimile Number 905 372 2583 E-mail Address Iusi@lusi.on.ca	
Name of Individual to Contact Dereck Paul President and C.E.O. Lakefront Utility Services Inc.	Telephone Number 905 372 2193 Ext 5226 Facsimile Number 905 372 2583 E-mail Address dpaul@lusi.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 TOWN OF COBOURG	Board Use Only
Address of Head Office 55 King Street West Cobourg, Ontario K9A 2M2	Telephone Number (905) 372-4301 Facsimile Number (905) 372-8819 E-mail Address N/A
Name of Individual to Contact Stephen Peacock Chief Administrative Officer	Telephone Number(905) 372-4301Facsimile Number(905) 372-7558E-mail Addressspeacock@cobourg.ca

Section 1.1.2 continues on the next page.

Name of Other Party VERIDIAN CONNECTIONS INC.	Board Use Only	
Address of Head Office	Telephone Number	
55 Taunton Road East	(905) 427-9870	
Ajax, Ontario L1T 3V3	Facsimile Number	
	(905) 619-0210	
	E-mail Address	
	generalinquiry@veridian.on.ca	
Name of Individual to Contact	Telephone Number	
George Armstrong	(905) 427-9870 Ext. 2202	
Vice President, Corporate Services Veridian Connections Inc.	Facsimile Number	
	(905) 619-0210	
	E-mail Address	
	garmstrong@veridian.on.ca	

Section 1.1.2 continues on the next page.

Name of Other Party SOLERA SUSTAINABLE ENERGIES COMPANY LIMITED	Board Use Only
Address of Head Office 1845 Sandstone Manor Pickering, Ontario L1W 3X9	Telephone Number (905) 421-0430 Facsimile Number (905) 421-0042 E-mail Address gogreen@soleraenergies.com
Name of Individual to Contact Leonard Allen President and C.E.O. Solera Sustainable Energies Company Limited	Telephone Number(905) 421-0430Facsimile Number(905) 421-0042E-mail AddressI.allen@soleraenergies.com

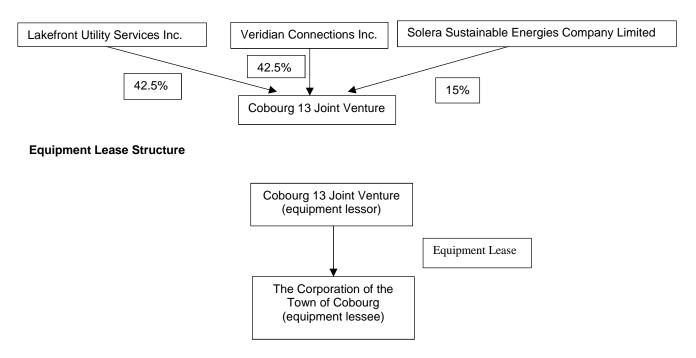
Section 1.2 is on the next page.

# 1.2 Relationship between Parties to the Transaction or Project

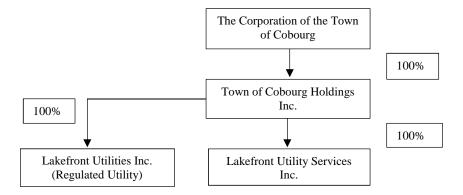
1.2.1	Attach a list of the officers, directors and shareholders of each of the parties to the proposed transaction or project.					
	LAKEFRONT UTILITY SERVICES INC.					
	Lakefront Utility Services Inc. is an affiliate of Lakefront Utilities Inc., a licensed electricity distributor in the province of Ontario.					
	The officers of Lakefront Utility Services Inc. are: (a) Dereck Paul, President; (b)Susan Spicer, Corporate Secretary; and (c) Adam Giddings, Manager of Regulatory Compliance and Finance.					
	The directors of Lakefront Utility Services Inc. are: (a) Mayor Marc Coombs; (b) Chair Peter Chilibeck; and (c) Bill Pyatt.					
	Lakefront Utility Services Inc. is a wholly owned subsidiary of Town of Cobourg Holdings Inc. and the Town of Cobourg Holdings Inc. is a wholly owned subsidiary of The Corporation of the Town of Cobourg.					
	VERIDIAN CONNECTIONS INC.					
	The officers of Veridian Connections are: (a) Michael Angemeer, President; (b) George Armstrong, Vice President; (c) Kevin Ashe, Vice Chair; (d) Adrian Foster, Chair; and (e) Laurie McLorg, Treasurer.					
	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.					
	Veridian Connections Inc. is wholly owned by Veridian Corporation. 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%).					
	SOLERA SUSTAINABLE ENERGIES COMPANY LIMITED					
	The officers and directors of Solera Sustainable Energies Company Limited are as follows: Leonard Allen, President, Secretary, Director.					
	The shareholders of Solera Sustainable Energies Company Limited are: Allen Technical Limited and Robbie Goulden.					

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.
	The project is structured as follows: Lakefront Utility Services Inc., Veridian Connections Inc. and Solera Sustainable Energies Company Limited (collectively, the "Joint Venture Parties") are parties to a Joint Venture Agreement dated November 15 <sup>th</sup> , 2018.
	The Joint Venture Parties are the lessor of equipment to The Corporation of the Town of Cobourg (the "Town") pursuant an Equipment Lease dated November 15 <sup>th</sup> , 2018.
	The Town is the owner of the property upon which the solar rooftop facility is to be located, which is municipally known as 739 D'Arcy Street, Cobourg, Ontario.
	The equipment for the project is leased by the Town, an affiliate of Lakefront Utility Services Inc., from the Joint Venture Parties. The Town is the owner of the building upon which the rooftop solar equipment is to be located and the power produced by the project will be wholly consumed by the Town.

## **Joint Venture Structure**



Lakefront Utility Services Inc. Ownership Structure



Section 1.3 is on the next page.

## 1.3 Description of the Businesses of Each of the Parties

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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 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").
	Lakefront Utility Services Inc. is an affiliate of Lakefront Utilities Inc, a regulated electricity distribution company. Lakefront Utility Services Inc. is engaged in several business activities, including the development of renewable energy projects.
	Lakefront Utilities Inc. is licenced by the Ontario Energy Board pursuant to electricity distribution licence (ED-2002-0545) and provides electricity distribution services in the Town of Cobourg and the community of Colborne, located within southern Ontario. Lakefront Utility Services Inc. is a wholly-owned subsidiary of Town of Cobourg Holdings Inc. and is headquartered in Cobourg, Ontario. Lakefront Utility Services Inc. develops renewable electricity generation facilities.
	Veridian Connections Inc. is a wholly owned subsidiary of Veridian Corporation and the shareholders of Veridian Corporation are 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%). Veridian Connections Inc. is licenced by the Ontario Energy Board pursuant to electricity distribution licence (ED-2002-0503).
	Veridian Connections Inc. owns and operates renewable solar generation assets located within Ontario.
	Solera Sustainable Energies Company Limited is a developer of renewable energy projects in Canada and the Caribbean with a focus on photovoltaic power.
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.
	Lakefront Utilities Inc., the local distribution company affiliate of Lakefront Utility Services Inc., provides electricity distribution services in the Town of Cobourg and the community of Colborne pursuant to an electricity distribution licence (ED-2002-0545). Lakefront Utilities Inc. currently owns a rooftop renewable energy solar generator located at 25 Ewart St., Cobourg. 2017 generation production was 12.48 MWh and sales were \$5,342.
	Lakefront Utility Services Inc. has submitted a separate Notice of Proposal under Section 80 and 81 of the Ontario Energy Board Act, 1998 for a proposed rooftop solar generator to be located at 6 D'Arcy Street, Cobourg.
	Veridian Connections Inc., a local distribution company pursuant to distribution licence ED- 2002-0503, 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. Each of the nine communities serviced by Veridian Connections Inc. are located in southern Ontario.
	Veridian Connections Inc. currently owns and operates 2 rooftop solar renewable generation facilities located at 55 Taunton Rd. E., Ajax and 4941 Old Brock Rd., Pickering.
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.
	The 25 Ewart Street, Cobourg facility produced 12.48 MWh of electricity and had sales of \$5,342 in 2017.
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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.		
	The following table provides the relevant Board licences held by the parties to the proposed project and each of their electricity sector affiliates.		
	Licensee Lakefront Utilities Inc. Veridian Connections Inc.	Licence Number ED-2002-0545 ED-2002-0503	Licence Type Distribution Distribution

## 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.				
	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 0.293 MW and 351.5 MWh.				
	Licensee	Location	Туре	Capacity.	Energy
				(MW).	(MWh)
	Veridian Connections Inc.	55 Taunton Rd. E., Ajax	Solar	0.120.	148.3 (2017 actual)
	Veridian Connections Inc.	4941 Old Brock Rd. Pickering	Solar	0.101.	123.6 (2017 actual)
	Lakefront Utilities Inc.	25 Ewart St. Cobourg	Solar	0.010.	12.5 (2017 actual)
	Lakefront Utility Services Inc.	6 D'Arcy St. Cobourg	Solar	0.062.	67.1 (Estimated)
	Total Capacity (MW) and Energ	y (MWh)		0.293	351.5
1.4.2	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. 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). Lakefront Utility Services Inc. and its affiliates share of the generation market in 2017 was 284.4 MWh or 0.0002153% of the 2017 Annual Primary Demand within the province.				

# 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.
	The project is located at the property known as Building 13 and the municipal address is 739 D'Arcy Street, Cobourg, Ontario. The project consists of one solar (pv) rooftop facility having a capacity of 106.26 kW. There is no power purchase agreement for the proposed project. Rather, the rooftop solar facility is to be leased by The Corporation of the Town of Cobourg and the power produced by the rooftop solar facility will be wholly consumed by the owner.
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.
	The generation capacity (in MW) within the province of Ontario after the completion of the project is 0.3987 MW. There is no impact on the generation capacity within the Province of Ontario as a result of the project.
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.
	As noted above, the total Annual Ontario Energy Demand for 2017 was 132.1 TWh (132,100,000 MWh), as reported by the IESO ( <u>http://www.ieso.ca/corporate-ieso/media/year-end-data</u> ). The generation market share of Lakefront Utility Services Inc., its affiliates and the parties to the proposed transaction will be approximately 464.3 MWh (approximately 0.0003515% of the total Annual Ontario Energy Demand for 2017).
	Note: 464.3 MWh is calculated based on 2017 actual production for the generators currently in- service and estimated production for the generators not currently in-service.
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.
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 as the host and/or landlord of the building on which the generation facility is located utilizes the electricity 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.
	Lakefront Utility Services Inc. is, to the best of its knowledge, in compliance with all license and code requirements and will remain in compliance during and following completion of the project contemplated in this Notice.

## 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 Town of Cobourg 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 solar (PV) rooftop generation facility located at the property known as Building 13 and the municipal address is 739 D'Arcy Street, Cobourg, Ontario.		
	The estimated annual generation for the project is 112,800 kWh.		
	The project consists of 308 solar (PV) panels having a maximum capacity output of 106.26 kW and is expected to have <u>approximately</u> 1,060 hours of full-output operation in a year.		
	The generator will be connected-behind-the-meter as a load displacement generator. No electricity will be exported to the grid.		
	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 as the project is not require 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.

#### This section is not applicable to this application.

#### 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

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