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VIA E-MAIL TO: registrar@oeb.ca.

Reference: 00073816/000018

Ms. Christine Long
Registrar and Board Secretary
Ontario Energy Board
2300 Yonge Street, Suite 2700
Toronto, ON
M4P 1E4

**RE: Application for an Electricity Generation Licence for SWNS Wind LP, and
a Section 81 Notice of Proposed Transaction**

Dear Ms. Long:

We are the lawyers for 2753890 Ontario Inc. ("**Acquireco**") and SWNS Wind LP ("**Assignee**") (collectively the "**Applicants**").

Description of the Proposed Transaction

Acquireco has entered into a share purchase agreement with wpd Europe GmbH pursuant to which Acquireco intends to acquire 100% of the shares of wpd Springwood Wind Incorporated, wpd Whittington Wind Incorporated, wpd Napier Wind Incorporated and wpd Sumac Ridge Wind Incorporated (each a "**Target**") (the "**Transaction**"). Immediately after the acquisition of the shares of the Targets, Acquireco intends to amalgamate with the Targets, creating an amalgamated company ("**Amalco**"). Subsequent to the amalgamation, Amalco will transfer all the wind farm assets of the Targets to Assignee, SWNS Wind LP (which is a subsidiary of Acquireco), resulting in Assignee being the owner and operator of the Springwood, Whittington, Napier and Sumac Ridge wind farms (the "**Facilities**"), including their related distribution system assets. It is not yet known what the name of the amalgamated company will be following the amalgamation.

The Applicants are new entities that have been created for the purpose of acquiring and holding the assets of the Targets. The Applicants are wholly owned (either directly or indirectly) and controlled by Capstone Infrastructure Corporation ("**Capstone**") which is a publicly listed corporation on the Toronto Stock Exchange.



The vendor, wpd Europe GmbH, is a privately held company that owns and operates wind projects and solar projects in Europe and North America.

Application for New Generation Licence

In order to carry out the Transaction, the Assignee is applying for a new Electricity Generation Licence authorizing SWNS Wind LP to own and operate the Facilities. We have included a completed Application for an Electricity Generation Licence Feed-in Tariff form with applicable attachments.

As the exact date of the transfer of the assets to SWNS Wind LP is not yet known, the Applicants request that the Board issue its approval of the licence to become effective immediately upon the transfer of all the wind farm assets of the Targets to Assignee, and that the Board cancel at that time the following generating licences issued to the Targets:

- a. Electricity Generation Licence EG-2013-0327 issued to wpd Springwood by the OEB;
- b. Electricity Generation Licence EG-2014-0127 issued to wpd Whittington by the OEB;
- c. Electricity Generation Licence EG-2015-0239 issued to wpd Napier by the OEB; and
- d. Electricity Generation Licence EG-2016-0345 issued to wpd Sumac by the OEB.

We understand that you will provide payment instructions for an electronic fund transfer (EFT) for the licence application fees.

In the Application relating to the Sumac Ridge wind farm, in section 10(a), we noted that the connection point is in the process of being changed. Hydro One Networks Inc. (“**HONI**”) has requested this change, and we expect that it will occur before the end of 2020.

Section 81 Notice

This letter, along with the enclosed MAAD notice form and attachments, also constitutes a notice from the Applicants of a proposed transaction (the “**Notice**”) under Section 81 of the *Ontario Energy Board Act, 1998* (the “**Act**”).

The Applicants are affiliates of Capstone. Capstone has a controlling interest (either directly or indirectly) in 19 electricity generating facilities in Ontario. The Transaction would result in the Applicants acquiring an interest in the distribution lines owned by the Facilities, and, accordingly, the Applicants are required to provide this Notice pursuant to section 81 of the Act.

The Applicants submit, however, that the Transaction will not substantively change the *status quo*, nor will it affect the development and maintenance of a competitive market, because the Facilities’ distribution systems that are being acquired by the Applicants are only used to convey the electricity generated by the Facilities to the HONI’s licensed distribution system, and the Facilities’ distribution systems will continue to be used for that purpose after the Transaction.



Pursuant to section 4.0.1 and 4.0.2 of Ont. Reg. 161/99, the Applicants are not required to file a notice pursuant to Section 80 of the Act.

The Applicants therefore request that the Ontario Energy Board issue a letter of no review.

Request to proceed without a hearing

The Facilities will continue to be operated in accordance with the terms and conditions of all existing approvals. The Applicants submit that no person will be adversely affected in a material way by the outcome of the proceedings disposing of the Applications. Accordingly, the Applicants request that the Board dispose of the proceedings without a hearing pursuant to s. 21(4)(b) of the Act.

Closing Date

The parties would like to close the proposed Transaction by Wednesday December 23, 2020. The Applicants therefore respectfully request that the Board make its determination regarding the Notice and issue its approval of the requested generation licence (to become effective upon the transfer of the assets to SWNS Wind LP) by Wednesday December 16, 2020.

Please contact the undersigned if you have any questions with respect to this matter.

Yours Truly,

Sharon Wong

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c: Jesse Long, Legal Counsel / wpd Canada
c: Greg Peterson, Vice President, Capstone Infrastructure