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INTERIM DECISION AND ORDER EB-2021-0263

OTTAWA RIVER POWER CORPORATION

Application for Electricity Distribution Licence Amendment

BY DELEGATION, BEFORE: Brian Hewson

Vice President, Consumer Protection & Industry Performance

October 21, 2021

INTERIM DECISION AND ORDER

On October 6, 2021, Ottawa River Power Corporation (Ottawa River Power) filed an application with the Ontario Energy Board (OEB) under section 74 of the *Ontario Energy Board Act, 1998* to amend its electricity distributor licence ED-2003-0033. The application seeks an extension of Ottawa River Power's exemption from the requirements of section 3.2 of the Retail Settlement Code (RSC) and section 2.2.2 of the Standard Supply Service Code (SSS) for a five-year period.

This Decision and Order is being issued by the Delegated Authority, without holding a hearing, pursuant to section 6(4) of the OEB Act.

Ottawa River Power purchases approximately 30 percent of its power requirements from the Waltham Generating Station, which is owned by Brookfield Renewable Trading and Marketing LP¹ (Brookfield) and is located about 24 kilometers outside of Ottawa River Power's service area, in the Province of Quebec.

In order to purchase power from the Waltham Generating Station, Ottawa River Power requires relief from having to comply with the following regulatory requirements:

- Section 3.2 of the RSC, which provides that a distributor shall purchase energy from an embedded retail generator within its service area; and
- Section 2.2.2 of the SSSC which provides that a distributor shall obtain the electricity required to fulfill its standard supply service obligation thru the IESO-administered markets, from an embedded retail generator located within the distributor's licensed service area or, in the case of an embedded distributor, from the embedded distributor's host distributor.

In purchasing power from the Waltham Generating Station since 2009, Ottawa River Power has been relieved from complying with the foregoing provisions in accordance with the following OEB orders:

• EB-2008-0289, which granted Ottawa River Power an exemption from compliance with the identified provisions on July 22, 2009 for the entire duration of the initial energy supply contract between Ottawa River Power and Brookfield, which was set to expire on November 15, 2015.

¹ Waltham Generating Station was previously owned by Brookfield Energy Marketing Inc.

- EB-2015-0034, which extended the period of exemption for a five-year period to November 30, 2020.
- EB-2020-0237, which extended the period of exemption until March 31, 2021.
- EB-2021-0113, which extended the period of exemption until September 30, 2021.

On September 28, 2021, Ottawa River and Brookfield signed an Amended and Restated Power Purchase Agreement whereby the parties have agreed to continue with the power supply arrangement between Ottawa River Power and Brookfield for a further five-year period. The term of the agreement will begin the first day of the month that follows the month in which OEB approval of the exemption is granted in this proceeding.

Ottawa River Power states that based on its analysis of the cost savings on transmission charges, wholesale market charges and low voltage charges achieved through purchasing from Brookfield in the period from January 1, 2015 to December 31, 2020, and considering that the rates are unchanged in the new agreement, its customers will continue to benefit from the power supply arrangement with Brookfield.

Ottawa River Corporation filed the application for a renewal on October 6, 2021, which was after the current exemption expired on September 30, 2021. The OEB needs time to review the application, and to consider the new contract and the evidence filed by Ottawa River Power, in order to determine whether Ottawa River Power's customers will continue benefiting from the power purchase arrangements with Brookfield. In the interim, the OEB finds it necessary to issue this Interim Decision and Order granting a temporary exemption to Ottawa River Power from compliance with the identified sections of the RSC and SSSC until such time as the licence amendment application is determined or March 22, 2022, whichever is earlier.

Ottawa River Power is reminded that this Interim Decision and Order does not constitute a final decision on the application.

IT IS ORDERED THAT:

 Ottawa River Power Corporation's Electricity Distribution Licence ED-2003-0033, specifically Schedule 3 "List of Code Exemptions", is amended to include an exemption from section 3.2 of the Retail Settlement Code. This exemption expires on March 31, 2022 or the date of a final determination of the licence amendment application, whichever is earlier. Ottawa River Power Corporation's Electricity Distribution Licence ED-2003-0033, specifically Schedule 3 "List of Code Exemptions", is amended to include an exemption from section 2.2.2 of the Standard Supply Service Code. This exemption expires on March 31, 2022 or the date of a final determination of the licence amendment application, whichever is earlier.

DATED at Toronto, October 21, 2021

ONTARIO ENERGY BOARD

Original Signed By

Brian Hewson Vice President, Consumer Protection & Industry Performance