Application for an Electricity Generation Licence Application Instructions



1. Purpose of this Form

Use this form to apply, under section 60 of the *Ontario Energy Board Act, 1998* (OEB Act), for an "electricity generation" licence. An electricity generation licence issued by the Ontario Energy Board (OEB) enables the licensee to generate electricity or provide ancillary services for sale through the IESO-administered markets or directly to another person; purchase electricity or ancillary services in the IESO-administered markets or directly from a generator; and, sell electricity or ancillary services through the IESO-administered markets or directly to another person, other than a consumer.

Feed-in Tariff program generators should use the licence application form specified for Feed-in Tariff program generators, which can be found on the "Apply for a Licence" page of the "Industry" section of the OEB's website at www.oeb.ca.

2. Completion Instructions

This form is in writeable PDF and can be completed electronically. If necessary, **responses may be continued on additional pages.** The applicant is encouraged to complete the form electronically, save the completed form and file it, along with any attachments, by e-mail to: boardsec@oeb.ca.

THE APPLICANT MUST ALSO SEND TWO PAPER COPIES OF THE COMPLETED AND SIGNED APPLICATION FORM, ALONG WITH TWO PAPER COPIES OF ANY ATTACHMENTS AND THE APPROPRIATE APPLICATION FEE TO:

Board Secretary Ontario Energy Board P.O. Box 2319 27th Floor 2300 Yonge Street Toronto ON M4P 1E4

The OEB uses the following three main criteria to assess applicants for an electricity generation licence:

- The applicant's ability to be a financially viable entity with respect to the activities the applicant intends to undertake;
- The applicant's technical capability and experience with respect to the activities the applicant intends to undertake; and
- The applicant and its key individuals' past business history and conduct such that they afford reasonable grounds for belief that the applicant will carry on business in accordance with the law, integrity and honesty.

The information requested in this application form relates to the above noted criteria. The applicant must complete and file the information requested in this application form. The OEB may require information that is additional to the information filed in this application form. Also, filing of a completed application form does not preclude the applicant from filing additional information.

Any questions regarding the completion of this application should be directed to the OEB at IndustryRelations@oeb.ca.

3. Application and Registration Fees

A non-refundable application fee is required to process this application. Please enclose a cheque or money order made payable to the **ONTARIO ENERGY BOARD**. If a licence is issued, the licensee may be required to pay an annual registration fee. The amounts of the application fee and the annual registration fee are indicated on the "Apply for a Licence" page of the "Industry" section of the OEB's website at www.oeb.ca.

4. Confidentiality

Information filed as part of or in support of sections 12 to 16 of this application will be treated as confidential. All other information filed as part of or in support of this application will be placed on the public record. Where the applicant objects to public disclosure of information filed as part of or in support of sections other than sections 12 to 16, the applicant must follow the procedure set out in the OEB's Practice Direction on Confidential Filings.

5. Important Information

Applicants should consider the timelines required to process applications to avoid submitting applications too early or too late. Submitting applications too early without reasonable certainty of the proposed licensed activities will impede regulatory efficiency while submitting applications too late will leave the applicant to bear the risk of delayed commencement of licensed activities. Processing timelines are indicated on the "Apply for a Licence" page of the OEB's website at www.oeb.ca. If submitted incomplete, there may be a delay in processing the application.

Applicants must make a copy of the non-confidential sections of the application available to any person who requests a copy of the application.

Ontario Energy Board

P.O. Box 2319 2300 Yonge Street 27th Floor Toronto ON M4P 1E4 Telephone: 1-888-632-6273 Facsimile: (416) 440-7656 Commission de l'énergie l'Ontario C.P. 2319 2300, rue Yonge 27e étage Toronto ON M4P 1E4 Téléphone: 1-888-632-6273

Télécopieur: (416) 440-7656



Application for an Electricity Generation Licence

For Office Use Only		
Application Number	EB-	
Date Received		

1. The Applican	t			
Legal Name of the	Applicant :	Kap Power Corp.		
Business Classifica	tion:			
☐ Sole Proprietor				
Partnership				
✓ Corporation				
Other (describe)				
Date of formation of	or incorporation:	March 3, 2021		
Place of formation	or incorporation:			
Province/State	Ontario			
Country	Canada			
If the applicant is a she at least 18 year		applicant must be at least 18 y	—years old. If the applicant	is an individual, is he or
☐ Yes				
☐ No				
✓ Not Applicable -	not an individua	I		
Head Office or Bus	siness Address o	of Applicant		
47 Gough Road				
City		Province/State	Country	Postal/Zip Code
Kapuskasing		Ontario	Canada	P5N 2X7
Phone Number		Toll Free (if available)	E-mail Address	
705-493-4448			ryan.forget@valid	luspower.com
Website Address	www.validusp	ower.com		

2. Application Type				
✓New				
Renewal, provide the lic	cence number and expiry date of the	current licence.		
Licence Number	Licence Number Expiry Date			
3. Licence Primary Co	ntact			
_	e a person who will act as primary co	ntact with the OFR on matter	s related to the licence	
The licensee shall designate	e a person who will act as primary col	made with the OLD off matter	s related to the licence.	
	Last Name	First Name	Initial	
Mr. • Mrs. •	Forget	Ryan		
Miss Ms.	Title/Position			
Other	General Manager, Power Genera	tion		
	Company Name			
	Validus Power Corp			
Licence Primary Contact A	ddress:			
4001 Highway 11 No	orth			
City	Province/State	Country	Postal/Zip Code	
North Bay	Ontario	Canada	P1B8G3	
Phone Number	Toll Free (if available)	E-mail Address		
705-493-4448		ryan.forget@vali	ryan.forget@validuspower.com	
4. Application Primary Contact Indicate if same as above. Proceed to section 5. The primary contact for the licence application may be a person within the applicant's organization other than the licence primary contact noted above. An applicant may also choose to designate a consultant, lawyer, etc. to be the primary contact for the licence application. The OEB will communicate with this person during the course of the application review process but with the licence primary contact after a licence is issued.				
	Last Name	First Name	Initial	
Mr. • Mrs. •	Lowther	Darin		
Miss O Ms. O	Title/Position			
Other ()	Lead, Regulatory			
	Company Name			
	URICA Energy Management Cor	poration		

Application Primary Contac	t Address:			
301, 1117 - 1st Street SW				
City	Pr	ovince/State	Country	Postal/Zip Code
Calgary	Alb	perta	Canada	T2R 0T9
Phone Number	Toll Fr	ee (if available)	E-mail Address	
403-554-0095	03-554-0095 darin.lowther@urica.ca		ca.ca	
5. Trade Names The electricity generation licheld (i.e. the applicant's leganged to the applicant intend to	al name). It also	provides for the use of	•	me under which the licence i
			use in the space provide	ed below.
No, proceed to section			acc iii ale opace provid	54 55.511
[V] 140, proceed to seen	0.			
6. Applicant's Licensii		-	<i>**</i>	
			entity (e.g., a partnership or for affiliate can be found at	limited partnership), ever been www.e-laws.gov.on.ca)
Yes, provide details	of current and e	xpired licences in the	table below.	
No, proceed to 6(b).				
Licensee Name	e 		o the Applicant If, affiliate, partneretc.)	Licence Number
	e		• •	Licence Number
	e		• •	Licence Number
	e		• •	Licence Number
	e		• •	Licence Number

✓ Yes, provide details in the table below. ✓ No, proceed to 6(c).			
Applicant Name	Relationship to this Applicant	Type of Application	OEB File Number

(b) Does the applicant, an affiliate of the applicant, or an associated entity have any other application(s) before the OEB?

(c) Has the applicant, an affiliate of the applicant, or an associated entity ever undertaken energy sector activity in any other jurisdiction within North America?

No

Company Name	Relation to the Applicant	Jurisdiction	Business Activity	Name of Licensing Body and Licence/Registration No. (if applicable)
2470787 Ontario Ltd.	Predecessor to Validus Power Corp.	Ontario	Design, engineer and build cogen facilities	Not applicable
Shortt Solutions	Predecessor to Validus Power Corp.	Ontario	Microgrid and First Nations energy develop	Not applicable

7. Key Individuals

In the table below, identify all key individuals associated with the applicant's business. Key individuals include sole proprietors, each partner, all officers and directors of a corporation, all shareholders with 10% or more of the equity shares of a corporation, managers, and any other individuals with a beneficial interest.

Name of Key Individual	Title/Position within Applicant's Business (or identify company if not the Applicant's Business)
Todd Shortt	President and CEO, Validus Power and Kap Power Corp.
Doug Konno	Senior Vice President, Validus Power Corp. & Kap Power
Jason Beblow	Executive Vice President, Validus Power and Kap Power
Shelley Goertz	CFO, Validus Power Corp. and Kap Power Corp.
Ryan Forget	General Manager - Power Generation
Pierre Sigouin	Technical Specialist - Power Generation

8. Intended Services and Markets (a) The OEB Act defines "ancillary services" as services necessary to maintain the reliability of the IESOcontrolled grid, including frequency control, voltage control, reactive power, and operating reserve services. Does the applicant intend to sell electricity or ancillary services into the IESO administered market? ✓ No (b) Does the applicant intend to settle with an electricity distributor for the electricity injected into the distribution system in accordance with the retail settlement system? Yes, please identify the electricity distributor ✓ No (c) Does the applicant intend to sell electricity to another person? ✓ Yes No If yes, is this person a consumer (i.e., a person who uses, for the person's own consumption, electricity that the person did not generate)? Yes. The applicant may require a retailer licence. The application form can be found at www.oeb.ca No 9. Facility Description Is the applicant applying to be licensed for more than one facility? Yes, please make a copy of sections 9, 10 and 11 for each facility and provide information for each facility ✓ No Generation Type Wind Diesel Other, please specify Installed Capacity 61.4 MW Number of Units If the applicant is selling ancillary services, please describe: Not applicable

Facility name:

Kapuskasing Power Plant

Facility Address: 47 Gough Road, Kapuskasing, Ontario P5N 2X7

Licence Responsibility/Qualification Sought
✓ Owner and Operator
Owner Only. Please identify operator
Operator Only. Please identify owner
If the applicant is applying for only one of the two qualifications, please provide information on the status of the other qualification. The information should include confirmation as to whether or not the person or entity seeking the other qualification is licensed; if licensed, please provide the licence number and, if not, indicate when an application for the other qualification will be filed with the OEB.
Not applicable
10. Facility History and Status
Is the facility in commercial service?
Yes, proceed to section 10(a)✓No, proceed to section 10(b) or 10(c) as applicable.
 (a) Existing Facility in Commercial Service When did this facility achieve commercial operation? March 1997 Is the applicant the original owner and operator?
(b) New Facility Has facility construction commenced?
☐ Yes☐ No
What is the expected commercial in service date?
(c) Existing Facility NOT in Commercial Service
What is the expected commercial in service date? <u>January 1, 2022</u>
Please provide a list of all other regulatory approvals required (e.g. environmental, municipal, etc.). Please identify the status of each approval.
Existing facility returning to commercial service. Other required approvals regulatory in place.

11. Connection

Wh	at is the voltage at the perimeter of the applicant's property from the output of the generation facility?
	50 kV or less, proceed to section 11(a)
~ (greater than 50 kV, proceed to section 11(b)
(a)	The OEB Act defines a "distribution system" as a system for distributing electricity, and includes any structures, equipment or other things used for that purpose. "Distribute", with respect to electricity, means to convey electricity at voltages of 50 kV or less.
	Describe the existing or future distribution system from the output of the generation facility to the connection point with the electricity distributor or to the connection point with the transmission system (e.g., length of line, transformers, etc.).
Not	applicable
	Does (or will) the applicant own and/or operate the distribution system?
	☐ Yes
	No, identify the owner and/or operator of the distribution system
	f yes, does the applicant own and/or operate the distribution system only for the purpose of conveying electricity from the generation facility to the IESO-controlled grid?
	☐ Yes
	No, describe the purpose of the distribution system
	e answer to the question above is no, the applicant may require a distribution licence. The application form can ound at www.oeb.ca .
[Does (or will) the distribution system connect the generation facility to an electricity distributor?
	Yes, identify the electricity distributor
	No, proceed to section 11(b)
(b)	The OEB Act defines a "transmission system" as a system for transmitting electricity, and includes any structures, equipment or other things used for that purpose. "Transmit", with respect to electricity, means to convey electricity at voltages of more than 50 kV.
	Describe the existing or future transmission system from the output of the generation facility or applicant's distribution system to the connection point with the transmission network (e.g., length of line, transformers, etc.).
Inte	nd to connect to on site load at the present time, but want to maintain connection to transmission system for future use.

Does (or will) the applicant own and/or operate the transmission	n system?	
☐ Yes		
No, identify the owner and/or operator of the transmission	system Hydro One / IESO	
If yes, does the applicant own and/or operate the transmission system <u>only</u> for the purpose of conveying electricity from the generation facility to the IESO-controlled grid?		
☐ Yes		
No, describe the purpose of the transmission system Fac	ilities include a 65 MVA transformer and step up	
transformers from 13.8 kV to 230 kV. Transmission line is approximately 1.4 km.		

If the answer to the question above is no, the applicant may require a transmission licence. The application form can be found at www.oeb.ca.

17. Notice

The OEB is authorized, under section 4.14 of the OEB Act, to collect personal information for the purpose of carrying out its duties and exercising its powers under the OEB Act or any other Act.

The information provided both on this form and attached to this form is being collected by the OEB for the purpose of determining whether the applicant is qualified to receive the licence for which it is applying.

In order to verify the information on this form and/or determine whether the applicant is qualified to receive the licence for which it is applying, it may be necessary for the OEB to collect additional information from some or all of the following sources: federal, provincial/state, or municipal governments; licensing bodies; law enforcement agencies; credit bureaus; and banks. Only information relevant to the application or the OEB's determination of the application will be collected by the OEB.

The public official who can answer questions about the collection of the information is:

Board Secretary
Ontario Energy Board
P.O Box 2319
2300 Yonge Street, 27th Floor
Toronto, ON
M4P 1E4

Tel: 416-481-1967 or 1-888-632-6273

Applicants are reminded that the OEB is subject to the *Freedom of Information and Protection of Privacy Act* (FIPPA). FIPPA addresses circumstances in which the OEB may, upon request, be required to release information that is in its custody or under its control, and generally prohibits the OEB from releasing personal information. "Personal Information" has the meaning given to it under FIPPA.

18. Certification and Acknowledgement

- (a) I certify that the information contained in this application and in the documents provided are true and accurate.
- (b) I understand and acknowledge that, as a licensee, I must provide information as the OEB may require from time to time.
- (c) I understand and acknowledge that the issuance of an electricity generation licence does not guarantee registration with the IESO or connection to a transmission or distribution system.

Print Name of Key Individual	Signature of Key Individual	Date

If the applicant is a sole proprietor, he/she must sign.

If the applicant is a corporation, a person with authority to bind the corporation must sign.

If the applicant is a partnership, a partner with authority to sign on behalf of the partnership must sign.

Checklist (return with application form)	
	Two copies of the application form have been included with original signature on both copies
	A cheque or money order for the non-refundable application fee has been included
	A corporate organization chart has been attached to the application form
	Section 13 has been completed and all relevant financial information has been included
\times	Section 16 has been completed for all key individuals