

March 11, 2022

**EMAIL**

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

Attention: Ms. Nancy Marconi, Acting Registrar

Dear Ms. Marconi:

**Re: Capstone Power Corp. et al – Application for Leave to Transfer Electricity Generation Licences & Section 81 Notice of Proposed Transaction**

We are legal counsel to: (i) Capstone Power Corp. (“**Capstone Power**”); (ii) GHG Wind Development LP (“**GHG LP**”), GHG Wind Development II LP (“**GHG II LP**”), SLS Wind Development LP (“**SLS LP**”), SLS Wind Development II LP (“**SLS II LP**”), SR Wind Development LP (“**SRW LP**”), and SR Wind Development II LP (“**SRW II LP**”) (each an “**Applicant**”, and collectively, the “**Applicants**”); and (iii) SLGR Wind LP (“**Transferee**”).

As detailed herein, in connection with a planned transaction, we are writing to:

- apply on behalf of the Applicants for leave of the Ontario Energy Board (“**OEB**”) to transfer to the Transferee the authorizations provided under the Applicants’ six existing electricity generation licences, which are in respect of four existing generation facilities (the “**Licences**”), pursuant to section 18(2) of the *Ontario Energy Board Act, 1998* (the “**Act**”) (see Section 3 below and **Attachment “A”** hereto, which together constitute the “**Application**”); and
- provide a notice of proposed transaction from the Transferee pursuant to Section 81 of the Act (see Section 4 below and **Attachment “B”** hereto, which together constitute the “**Notice**”).

1. Generation Facilities/Licences

As shown by the pre-closing corporate structure chart in Figure 1 below, the Applicants and their respective general partners are wholly owned subsidiaries of the Transferee, and the Transferee and its general partner (SLGR Wind GP Corp.) are in turn wholly owned subsidiaries of Capstone Power. Pursuant to their Licences, the Applicants are authorized to own and/or operate the following generation projects in Ontario (the “**Projects**”):

- ZEP Wind Farm Ganaraska project (“**Ganaraska Project**”), which is co-owned by GHG

LP and GHG II LP (under Licences EG-2015-0361 and EG-2015-0360, respectively) and operated by GHG LP (under Licence EG-2015-0361);

- Grey Highlands Zero Emission People project (“**Grey Highlands ZEP Project**”), which is co-owned by GHG LP and GHG II LP (under Licences EG-2015-0361 and EG-2015-0360, respectively) and operated by GHG LP (under Licence EG-2015-0361);
- Settlers Landing Wind Park project (“**Settlers Landing Project**”), which is co-owned by SLS LP and SLS II LP (under Licences EG-2016-0291 and EG-2016-0290, respectively) and operated by SLS LP (under Licence EG-2016-0291); and
- Snowy Ridge Wind Park project (“**Snowy Ridge Project**”), which is co-owned by SRW LP and SRW II LP (under Licences EG-2016-0173 and EG-2016-0172, respectively) and operated by SRW LP (under Licence EG-2016-0173).

For each Project, the sale of generation output is governed by a Feed-in Tariff (“**FIT**”) contract entered into between that Project’s co-owners (which are also the OEB licensees, as noted above) and the Independent Electricity System Operator (“**IESO**”).

## 2. Proposed Transaction

As part of the proposed transaction, an internal reorganization will be carried out, with the following key steps to occur on the day of closing:

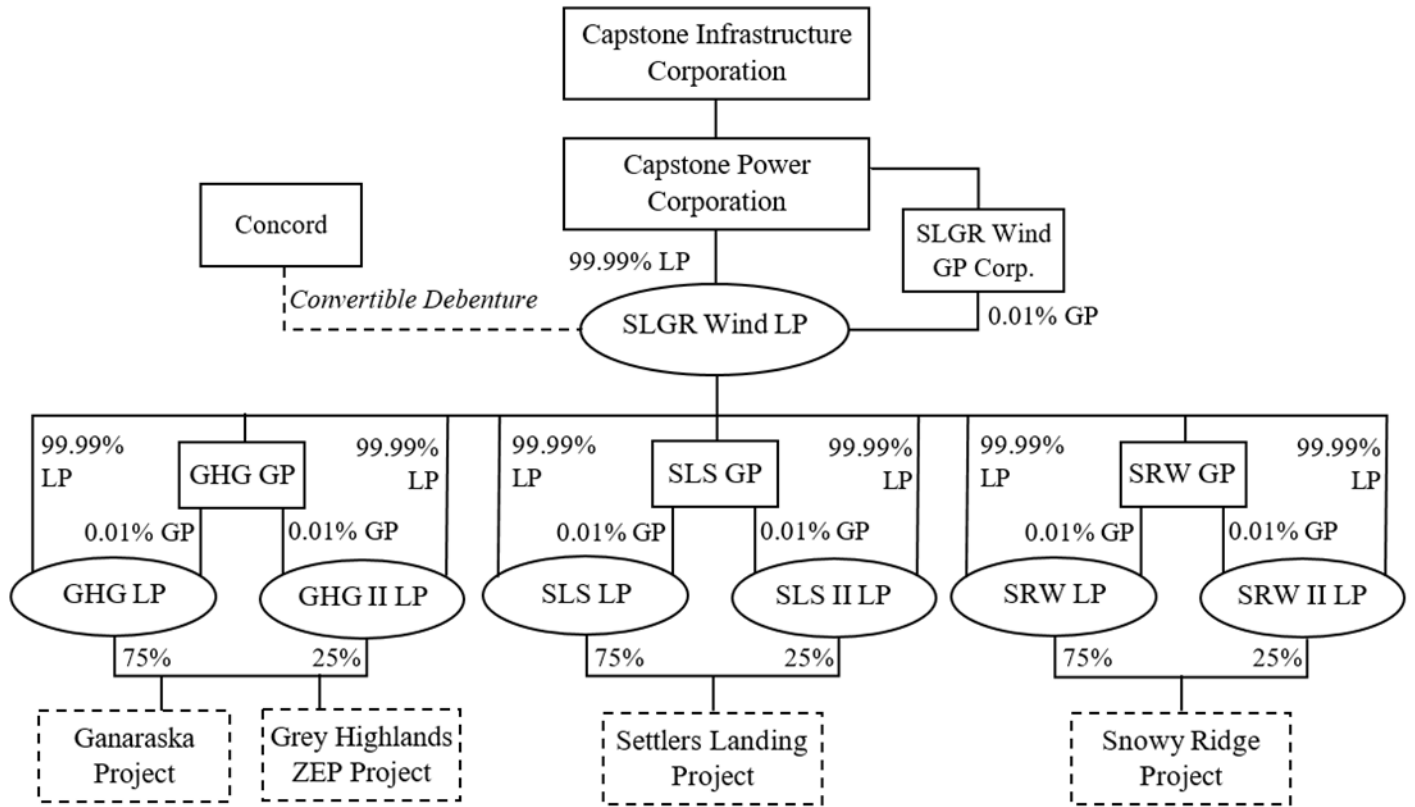
- Wind-up of the Applicants, resulting in each Applicant’s general partner and the Transferee receiving an undivided pro rata ownership interest in that Applicant’s assets; followed immediately by
- Wind-up of the Applicants’ general partners, resulting in the Transferee receiving said general partners’ assets (including the interest in the Applicants’ assets contemplated by the preceding step).

The outcome of this reorganization is that the Applicants’ assets will vest in the Transferee upon closing. In addition, an existing convertible debenture issued by the Transferee to a third party, 2491476 Ontario Limited (“**Concord**”), will be converted into a general partner interest in the Transferee, resulting in Concord (as a general partner) holding a minority ownership interest of 49% in the Transferee. The remaining 51% ownership interest in the Transferee will be held directly and indirectly by Capstone Power, which will continue to be the 100% owner of the Transferee’s other general partner who exercises day-to-day operations of the Transferee’s business (i.e., the ownership and operations of the Projects).

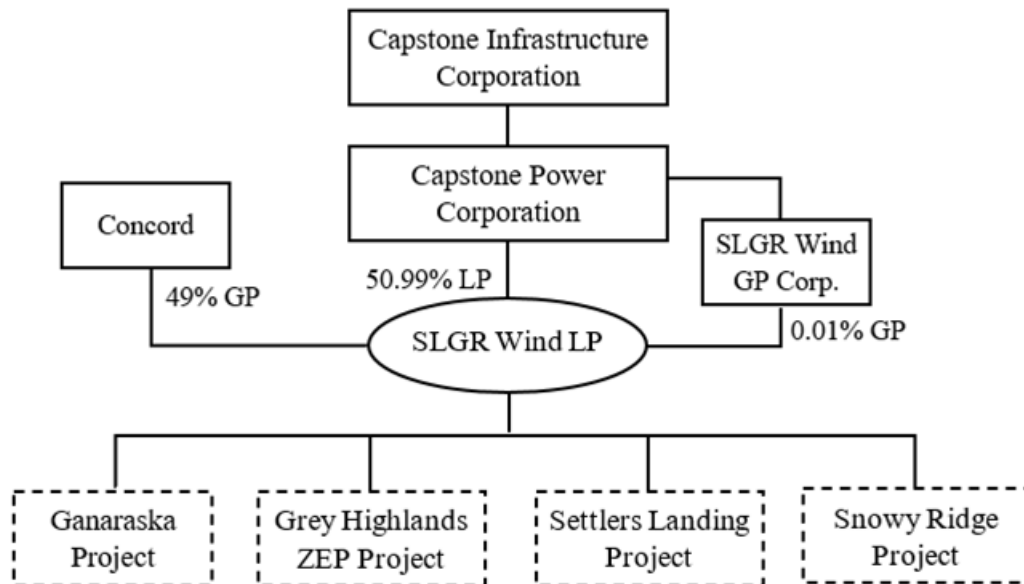
Each Project’s FIT contract is expected to be assigned to the Transferee, concurrent with the wind-up of the Applicants and their respective general partners into the Transferee.

The proposed transaction is expected to close on or about May 15, 2022.

Figures 1 and 2 below illustrate the simplified pre- and post-closing organizational structures associated with the Projects.



**Figure 1. Pre-Closing Simplified Org Structure**



**Figure 2. Post-Closing Simplified Org Structure**

### 3. Application to Transfer Generation Licences

In order to carry out the proposed transaction, the Applicants hereby apply for leave of the OEB, pursuant to Section 18(2) of the Act, to transfer their respective Licences to the Transferee. More specifically, the new licensee would be “SLGR Wind LP, by its general partner SLGR Wind GP Corp.”

It is our expectation that, upon review of this Application, the OEB would (i) issue the Transferee a single generation licence that consolidates the authorizations provided under the six existing Licences for both ownership and operation of all four Projects, (ii) include as part of the consolidated licence a new Schedule 1 (*List of Licensed Generation Facilities*) that lists all four Projects<sup>1</sup>, and (iii) include in the decision and order, as a condition of approval, that the transfers will not take effect until the effective date of the assignment to, and assumption by, the Transferee of each Project’s FIT contract.

Upon receipt, the Applicants would provide a copy of the conditional licence to the IESO in connection with the assignment of the FIT contracts. Upon completion of the proposed transaction and the assignment of the FIT contracts to the Transferee, the Applicants would promptly notify the OEB of the assignments for the purposes of having the condition removed and the final licence issued. To meet the timing requirements associated with the transaction, we respectfully request the OEB’s issuance of the conditional electricity generation licence to the Transferee as soon as practicable, but no later than April 29, 2022.

The Applicants request that this Application be disposed of without a hearing. In accordance with the requirements of section 21(4)(b) of the Act, no person will be adversely affected in a material way by the OEB’s decision in this matter.

To assist the OEB in its review of this Application, we have provided certain information relating to the Transferee and the Projects in **Attachment “A”**.

### 4. Section 81 Notice of Proposed Transaction

The current general partner of the Transferee is an affiliate of Capstone Power, which has a controlling interest (either directly or indirectly) in 20 generation projects (including the four Projects) in Ontario.

As described above, the proposed transaction involves the wind up of the Applicants and their respective general partners, so that the Transferee will directly hold 100% of the ownership interests in each Project.<sup>2</sup> As detailed in Section 3.1.1 of **Attachment “B”**, each Project includes certain distribution facilities that connect to Hydro One Networks Inc.’s (“**HONI**”) distribution system. As such, the transaction would also result in the Transferee acquiring an interest in those distribution facilities, thereby triggering the notice requirement under Section 81 of the Act.

Pursuant to the OEB’s *Preliminary Filing Requirements for Notice of Proposal Under Sections 80 and 81 of the Ontario Energy Board Act, 1998*, please see the Notice form and supporting

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<sup>1</sup> Note that Schedule 2 to each of licences EG-2016-0290 and EG-2016-0291 also provides for the authorized trade name of “Settlers Landing Wind Development Joint Venture”. In this application, we are not requesting to maintain this trade name with the OEB.

<sup>2</sup> Subject to the real estate interests and certain permits relating to each Project being held by a nominee corporation in trust for (i) each Project’s co-owners, prior to closing, and (ii) the Transferee, once closing occurs (as shown in in the detailed org charts found at Attachment “B”, Appendices 1.2.2(A) and 1.2.2(B)).

information in **Attachment “B”** and various appendices thereto.

Based on Section 4.0.1 of O. Reg. 161/99, the Transferee is not required to file a notice pursuant to Section 80 of the Act.

The proposed transaction will not substantively change the *status quo*, nor will it impact the development and maintenance of a competitive electricity market in Ontario, because the distribution facilities that form part of each Project being acquired by the Transferee are *only* used (whether now or after the transaction) for the purpose of conveying that Project’s generation output to the HONI distribution system.

To accommodate the above-noted transaction timing, the Transferee requests that the OEB issue a letter of no review as soon as practicable and by no later than April 29, 2022.

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Should you have any questions or concerns, please contact the undersigned.

Yours truly,



Henry Ren

cc: Andrew Kennedy, CFO, Capstone Infrastructure Corporation  
Jonathan Myers, Torys LLP

## ATTACHMENT “A”

### Supporting Information for Generation Licence Transfer Application

#### 1. Transferee Business Information

Name: SLGR Wind LP  
Address: c/o Capstone Infrastructure Corporation  
155 Wellington Street West, Suite 2930  
Toronto, Ontario M5V 3H1  
Telephone: 416-649-1300  
Fax: 416-649-1335  
Email: [AssetManagement@capstoneinfra.com](mailto:AssetManagement@capstoneinfra.com)

#### 2. Licences to be transferred

- [EG-2015-0361](#) held by GHG LP for the co-ownership and operation of the Ganaraska Project and Grey Highlands ZEP Project.
- [EG-2015-0360](#) held by GHG II LP for the co-ownership of the Ganaraska Project and Grey Highlands ZEP Project.
- [EG-2016-0291](#) held by SLS LP for the co-ownership and operation of the Settlers Landing Project.
- [EG-2016-0290](#) held by SLS II LP for the co-ownership of the Settlers Landing Project.
- [EG-2016-0173](#) held by SRW LP for the co-ownership and operation of the Snowy Ridge Project.
- [EG-2016-0172](#) held by SRW II LP for the co-ownership of the Snowy Ridge Project.

#### 3. Power Purchase Agreements

As part of the proposed transaction, each FIT contract (as listed below) for the Projects will be assigned to and assumed by the Transferee (by its general partner, SLGR Wind GP Corp.), in connection with the wind up of the Applicants and their respective general partners into the Transferee.

- Ganaraska Project – FIT Contract F-000615-WIN-130-601 between GHG LP and GHG II LP (together operating as Ganaraska Wind Development Joint Venture) and the IESO.
- Grey Highlands ZEP Project – FIT Contract F-000632-WIN-130-601 between GHG LP and GHG II LP (together operating as Grey Highlands Wind Development Joint Venture) and the IESO.
- Settlers Landing Project – FIT Contract F-000617-WIN-130-601 between SLS LP and SLS II LP (together operating as Settlers Landing Wind Development Joint Venture) and the IESO.

- Snowy Ridge Project – FIT Contract F-000614-WIN-130-601 between SRW LP and SRW II LP (together operating as Snowy Ridge Wind Development Joint Venture) and the IESO.

#### **4. Licence Primary Contact**

Name: Patrick Leitch  
Address: 155 Wellington Street West, Suite 2930  
Toronto, Ontario M5V 3H1  
Telephone: 416-649-1300  
Fax: 416-649-1335  
Email: [pleitch@capstoneinfra.com](mailto:pleitch@capstoneinfra.com)

#### **5. Key Individuals**

The directors and officers of SLGR Wind GP Corp. (as the general partner that will exercise day-to-day control over the Transferee's business) are as follows:

##### Directors

David Eva  
Andrew Kennedy  
Aileen Gien

##### Officers

David Eva	Chief Executive Officer
Andrew Kennedy	Chief Financial Officer
Aileen Gien	General Counsel & Corporate Secretary
Patrick Leitch	Senior Vice President, Operations

#### **6. Generation Facilities**

There have been no changes to the description of the Projects since the Licences were originally applied for and obtained. The Transferee as the new licensee will be responsible for the ownership and operation of each Project.

#### **7. Connection**

Since the Licences were originally applied for and obtained, the connection point for the Ganaraska Project and Settlers Landing Project have since been changed from Wilson TS to Enfield TS (as part of a connection point change initiated by HONI). There have been no changes to the description regarding the connection of the other two Projects.

#### **8. Technical and Financial Resources**

There are no changes in terms of the new licensee's technical qualifications or financial viability relative to the current licensees. A team of four technicians and a site manager, with almost 20 years in combined experience, provide operational services (including regular operations and maintenance) in respect of the Projects and will continue to do so after the closing of the proposed transaction.

**ATTACHMENT “B”**

**Preliminary Filing Requirements for Notice of Proposal Under Sections 80  
and 81 of the *Ontario Energy Board Act, 1998***



## 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 Applicants

Name of Applicant: <b>Capstone Power Corp. ("Capstone Power")</b>	File No: (OEB Use Only)	
Address of Head Office: 155 Wellington Street West, Suite 2930 Toronto, Ontario M5V 3H1	Telephone Number: 416-649-1300	
	Facsimile Number: 416-649-1335	
	E-mail Address: OfficeAdministration@capstoneinfra.com	
Name of Individual to Contact: Waleed Abdulaal	Telephone Number: 289-201-3583	
	Facsimile Number: 416-649-1335	
	E-mail Address: AssetManagement@capstoneinfra.com	

Name of Applicant: <b>SLGR Wind GP Corp. ("Transferee GP")</b>	File No: (OEB Use Only)	
Address of Head Office: c/o Capstone Infrastructure Corporation 155 Wellington Street West, Suite 2930 Toronto, Ontario M5V 3H1	Telephone Number: 416-649-1300	
	Facsimile Number: 416-649-1335	

	E-mail Address: OfficeAdministration@capstoneinfra.com	
Name of Individual to Contact: Waleed Abdulaal	Telephone Number: 289-201-3583	
	Facsimile Number: 416-649-1335	
	E-mail Address: AssetManagement@capstoneinfra.com	

Name of Applicant: <b>SLGR Wind LP ("Transferee")</b>	File No: (OEB Use Only)	
Address of Head Office: c/o Capstone Infrastructure Corporation 155 Wellington Street West, Suite 2930 Toronto, Ontario M5V 3H1	Telephone Number: 416-649-1300	
	Facsimile Number: 416-649-1335	
	E-mail Address: OfficeAdministration@capstoneinfra.com	
Name of Individual to Contact: Waleed Abdulaal	Telephone Number: 289-201-3583	
	Facsimile Number: 416-649-1335	
	E-mail Address: AssetManagement@capstoneinfra.com	

### 1.1.2 Other Parties to the Transaction or Project

*If more than one attach list*

Name of Applicant: GHG Wind Development GP Corp. (" <b>GHG GP</b> ")	File No: (OEB Use Only)	
Address of Head Office: c/o Capstone Infrastructure Corporation 155 Wellington Street West, Suite 2930 Toronto, Ontario M5V 3H1	Telephone Number: 416-649-1300	
	Facsimile Number: 416-649-1335	
	E-mail Address: OfficeAdministration@capstoneinfra.com	
Name of Individual to Contact: Waleed Abdulaal	Telephone Number: 289-201-3583	
	Facsimile Number: 416-649-1335	

	E-mail Address: AssetManagement@capstoneinfra.com	
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Name of Applicant: GHG Wind Development LP ("GHG LP")	File No: (OEB Use Only)	
Address of Head Office: c/o Capstone Infrastructure Corporation 155 Wellington Street West, Suite 2930 Toronto, Ontario M5V 3H1	Telephone Number: 416-649-1300	
	Facsimile Number: 416-649-1335	
	E-mail Address: OfficeAdministration@capstoneinfra.com	
Name of Individual to Contact: Waleed Abdulaal	Telephone Number: 289-201-3583	
	Facsimile Number: 416-649-1335	
	E-mail Address: AssetManagement@capstoneinfra.com	

Name of Applicant: GHG Wind Development II LP ("GHG II LP")	File No: (OEB Use Only)	
Address of Head Office: c/o Capstone Infrastructure Corporation 155 Wellington Street West, Suite 2930 Toronto, Ontario M5V 3H1	Telephone Number: 416-649-1300	
	Facsimile Number: 416-649-1335	
	E-mail Address: OfficeAdministration@capstoneinfra.com	
Name of Individual to Contact: Waleed Abdulaal	Telephone Number: 289-201-3583	
	Facsimile Number: 416-649-1335	
	E-mail Address: AssetManagement@capstoneinfra.com	

Name of Applicant: SLS Wind Development GP Corp. ("SLS GP")	File No: (OEB Use Only)	
Address of Head Office: c/o Capstone Infrastructure Corporation	Telephone Number: 416-649-1300	

155 Wellington Street West, Suite 2930 Toronto, Ontario M5V 3H1	Facsimile Number: 416-649-1335	
	E-mail Address: OfficeAdministration@capstoneinfra.com	
Name of Individual to Contact: Waleed Abdulaal	Telephone Number: 289-201-3583	
	Facsimile Number: 416-649-1335	
	E-mail Address: AssetManagement@capstoneinfra.com	

Name of Applicant: SLS Wind Development LP ("SLS LP")	File No: (OEB Use Only)	
Address of Head Office: c/o Capstone Infrastructure Corporation 155 Wellington Street West, Suite 2930 Toronto, Ontario M5V 3H1	Telephone Number: 416-649-1300	
	Facsimile Number: 416-649-1335	
	E-mail Address: OfficeAdministration@capstoneinfra.com	
Name of Individual to Contact: Waleed Abdulaal	Telephone Number: 289-201-3583	
	Facsimile Number: 416-649-1335	
	E-mail Address: AssetManagement@capstoneinfra.com	

Name of Applicant: SLS Wind Development II LP ("SLS II LP")	File No: (OEB Use Only)	
Address of Head Office: c/o Capstone Infrastructure Corporation 155 Wellington Street West, Suite 2930 Toronto, Ontario M5V 3H1	Telephone Number: 416-649-1300	
	Facsimile Number: 416-649-1335	
	E-mail Address: OfficeAdministration@capstoneinfra.com	
Name of Individual to Contact: Waleed Abdulaal	Telephone Number: 289-201-3583	
	Facsimile Number: 416-649-1335	

	E-mail Address: AssetManagement@capstoneinfra.com	
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Name of Applicant: SR Wind Development GP Corp. ("SRW GP")	File No: (OEB Use Only)	
Address of Head Office: c/o Capstone Infrastructure Corporation 155 Wellington Street West, Suite 2930 Toronto, Ontario M5V 3H1	Telephone Number: 416-649-1300	
	Facsimile Number: 416-649-1335	
	E-mail Address: OfficeAdministration@capstoneinfra.com	
Name of Individual to Contact: Waleed Abdulaal	Telephone Number: 289-201-3583	
	Facsimile Number: 416-649-1335	
	E-mail Address: AssetManagement@capstoneinfra.com	

Name of Applicant: SR Wind Development LP ("SRW LP")	File No: (OEB Use Only)	
Address of Head Office: c/o Capstone Infrastructure Corporation 155 Wellington Street West, Suite 2930 Toronto, Ontario M5V 3H1	Telephone Number: 416-649-1300	
	Facsimile Number: 416-649-1335	
	E-mail Address: OfficeAdministration@capstoneinfra.com	
Name of Individual to Contact: Waleed Abdulaal	Telephone Number: 289-201-3583	
	Facsimile Number: 416-649-1335	
	E-mail Address: AssetManagement@capstoneinfra.com	

Name of Applicant: SR Wind Development II LP ("SRW II LP")	File No: (OEB Use Only)	
Address of Head Office: c/o Capstone Infrastructure Corporation	Telephone Number: 416-649-1300	

155 Wellington Street West, Suite 2930 Toronto, Ontario M5V 3H1	Facsimile Number: 416-649-1335	
	E-mail Address: OfficeAdministration@capstoneinfra.com	
Name of Individual to Contact: Waleed Abdulaal	Telephone Number: 289-201-3583	
	Facsimile Number: 416-649-1335	
	E-mail Address: AssetManagement@capstoneinfra.com	

Name of Applicant: 2491476 Ontario Limited ("Concord")	File No: (OEB Use Only)	
Address of Head Office: 9th Floor, 1095 West Pender Street, Vancouver, BC V6E 2M6	Telephone Number: (604) 681-8882	
	Facsimile Number: (604) 895-8296	
	E-mail Address: cleris.lai@concordpacific.com	
Name of Individual to Contact: Calvin Chan	Telephone Number: (604) 895-8265	
	Facsimile Number: (604) 895-8296	
	E-mail Address: calvin.chan@concordpacific.com	

## 1.2 Relationship Between Parties to the Transaction or Project

1.2.1	<p>Attach a list of the officers, directors and shareholders of each of the parties to the proposed transaction or project.</p> <p><b>APPLICANT:</b></p> <p><b>1. <u>Capstone Power</u></b></p> <p><b>Directors:</b> David Eva Andrew Kennedy Aileen Gien</p> <p><b>Officers:</b> David Eva                      Chief Executive Officer Andrew Kennedy            Chief Financial Officer Aileen Gien                  General Counsel &amp; Corporate Secretary Patrick Leitch                Senior Vice President, Operations</p> <p><b>Shareholder:</b></p>	
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Capstone Infrastructure Corporation

**2. Transferee GP**

**Directors:**

David Eva  
Andrew Kennedy  
Aileen Gien

**Officers:**

David Eva	Chief Executive Officer
Andrew Kennedy	Chief Financial Officer
Aileen Gien	General Counsel & Corporate Secretary
Patrick Leitch	Senior Vice President, Operations

**Shareholder:**

Capstone Power

**3. Transferee**

The management of the Transferee is undertaken by its general partner, Transferee GP.

**Unitholders\*:**

Capstone Power  
Transferee GP

*\*Note: Following the proposed transaction, Concord will become another general partner of the Transferee. Transferee GP will continue to be the general partner that manages the Transferee's day-to-day business.*

**OTHER PARTIES:**

**1. GHG GP**

**Directors:**

David Eva  
Andrew Kennedy  
Aileen Gien

**Officers:**

David Eva	Chief Executive Officer
Andrew Kennedy	Chief Financial Officer
Aileen Gien	General Counsel & Corporate Secretary
Patrick Leitch	Senior Vice President, Operations

**Shareholders:**

Transferee

**2. GHG LP**

The management of GHG LP is undertaken by its general partner, GHG GP.

**Unitholders:**

Transferee  
GHG GP

**3. GHG II LP**

The management of GHG II LP is undertaken by its general partner, GHG GP.

**Unitholders:**

Transferee  
GHG GP

**4. SLS GP**

**Directors:**

David Eva  
Andrew Kennedy  
Aileen Gien

**Officers:**

David Eva	Chief Executive Officer
Andrew Kennedy	Chief Financial Officer
Aileen Gien	General Counsel & Corporate Secretary
Patrick Leitch	Senior Vice President, Operations

**Shareholders:**

Transferee

**5. SLS LP**

The management of SLS LP is undertaken by its general partner, SLS GP.

**Unitholders:**

Transferee  
SLS GP

**6. SLS II LP**

The management of SLS II LP is undertaken by its general partner, SLS GP.

**Unitholders:**

Transferee  
SLS GP

**7. SRW GP**

**Directors:**

David Eva  
Andrew Kennedy  
Aileen Gien

**Officers:**

David Eva	Chief Executive Officer
Andrew Kennedy	Chief Financial Officer
Aileen Gien	General Counsel & Corporate Secretary
Patrick Leitch	Senior Vice President, Operations

**Shareholders:**

Transferee

**8. SRW LP**

The management of SRW LP is undertaken by its general partner, SRW GP.

**Unitholders:**

Transferee  
SRW GP

**9. SRW II LP**

The management of SRW II LP is undertaken by its general partner, SRW GP.

**Unitholders:**



	<p>Transferee SRW GP</p> <p><b>10. <u>Concord</u></b></p> <p><b>Directors:</b> Dennis Au-Yeung</p> <p><b>Officers:</b> Dennis Au-Yeung, Vice President and Chief Financial Officer and Secretary Cliff McCracken, Vice President Matt Meehan, Vice President</p> <p><b>Shareholders:</b> One West Holdings Ltd.</p>	
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1.2.2	<p>Attach a corporate chart describing the relationship between each of the parties to the proposed transaction or project and each of their respective affiliates.</p> <p>Please see the corporate charts in Appendices 1.2.2(a) and 1.2.2(b).</p>	
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### 1.3 Description of the Businesses of Each of the Parties

1.3.1	<p>Attach a description of the business of each of the parties to the proposed transaction or project, including each of their affiliates licensed 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 licensed under the OEB Act in Ontario ("<b>Electricity Sector Affiliates</b>").</p> <p><b>APPLICANT:</b></p> <p><b><u>Capstone Power</u></b> As a wholly owned subsidiary of Capstone Infrastructure Corporation, Capstone Power holds investments, directly or indirectly, in 30 generation facilities across Canada that total approximately 766 MW in net installed capacity, including wind, solar, hydro, gas and biomass generation projects.</p> <p><b><u>Transferee GP and Transferee</u></b> The Transferee (by its general partner, Transferee GP) is a wholly owned subsidiary of Capstone Power and indirectly holds 100% ownership interests in four Ontario wind projects, which are further discussed below.</p> <p><b>OTHER PARTIES:</b></p> <p><b><u>GHG GP, GHG LP, and GHG II LP</u></b> GHG LP and GHG II LP (by their general partner, GHG GP) are the co-owners of the Ganaraska Project and Grey Highlands ZEP Project.</p> <p>The Ganaraska Project is a 17.6 MW wind farm located in Orono, Ontario. It is co-owned by GHG LP and GHG II LP pursuant to EG-2015-0361 and EG-2015-0360, respectively, and operated by GHG LP pursuant to EG-2015-0361. Ganaraska Nominee Ltd. holds the legal title to certain real property rights and permits related to the Ganaraska Project in trust for the joint venture between GHG LP and GHG II LP. The Ganaraska Project is the subject of FIT contract F-000615-WIN-130-601.</p> <p>The Grey Highlands ZEP Project is a 10 MW wind farm located in Singhampton, Ontario. It is co-owned by GHG LP and GHG II LP pursuant to EG-2015-0361 and EG-2015-0360, respectively, and operated by GHG LP pursuant to EG-2015-0361. Grey Highlands Nominee (No. 1) Ltd. holds the legal title to certain real property rights and permits related to the Grey Highlands ZEP Project in trust for the joint venture between GHG LP and GHG II LP. The Grey Highlands ZEP Project is the subject of FIT contract F-000632-WIN-130-601.</p>	
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**SLS GP, SLS LP, and SLS II LP**

SLS LP and SLS II LP (by their general partner, SLS GP) are the co-owners of the Settlers Landing Project.

The Settlers Landing Project is an 8 MW wind farm located in Pontypool, Ontario. It is co-owned by SLS LP and SLS II LP pursuant to EG-2016-0291 and EG-2016-0290, respectively, and operated by SLS LP pursuant to EG-2016-0291. Settlers Landing Nominee Ltd. holds the legal title to certain real property rights and permits related to the Settlers Landing Project in trust for the joint venture between SLS LP and SLS II LP. The Settlers Landing Project is the subject of FIT contract F-000617-WIN-130-601.

**SRW GP, SRW LP, and SRW II LP**

SRW LP and SRW II LP (by their general partner, SRW GP) are the co-owners of the Snowy Ridge Project.

The Snowy Ridge Project is a 10 MW wind farm located in Bethany, Ontario. It is co-owned by SRW LP and SRW II LP pursuant to EG-2016-0173 and EG-2016-0172, respectively, and operated by SRW LP pursuant to EG-2016-0173. Snowy Ridge Nominee Ltd. holds the legal title to certain real property rights and permits related to the Snowy Ridge Project in trust for the joint venture between SRW LP and SRW II LP. The Snowy Ridge Project is the subject of FIT contract F-000614-WIN-130-601.

In respect of each of the four projects noted above, Capstone Power Management Services Inc. provides management and O&M services pursuant to certain agreements and will continue to do so after the proposed transaction.

**ELECTRICITY SECTOR AFFILIATES:**

***Capstone:***

**Cardinal Power of Canada, L.P.**

Owner and operator of the 156 MW combined-cycle gas generation plant located in Cardinal, ON (EG-2003-0121).

**Chi-Wiikwedong LP**

Owner and operator of the 25 MW Goulais Wind Farm located in Sault Ste. Marie, ON (EG-2014-0352).

**CPOT Title Corp. on behalf of MPT Hydro LP**

Owner of various hydroelectric facilities (that are operated by Regional Power OPCO Inc.), including the following facilities in Ontario (EG-2001-0772)<sup>1</sup>:

- 13.5 MW Wawatay Generating Station located near Marathon, ON
- 0.95 MW McKenzie Falls Generating Station located at Eagle River, ON
- 1.25 MW Eagle River Generating Station located at Eagle River, ON
- 1.05 MW Wainwright Generating Station located at Dryden, ON

**Erie Shores Wind Farm Limited Partnership**

Owner and operator of the 99 MW Erie Shores Wind Farm located at Port Burwell, ON (EG-2005-0264).

**Grey Highlands Clean Energy Development LP**

Ownership and operation of 18.45 MW Grey Highlands Clean Energy Wind Farm located at Singhampton, ON (EG-2015-0359).

**Helios Solar Star A-1 Partnership**

Ownership and operation of 10 MW Amherstburg Solar Park Site A and 10 MW Amherstburg Solar Park B, located at Amherstburg, ON (EG-2008-0319).

**Sky Generation LP**

Ownership and operation of the following wind generation facilities (EG-2013-0436):

- Ferndale, 5.1 MW, located at Lion's Head, ON
- Ravenswood, 9.9 MW, located at Forest, ON
- Proof Line 1, 6.6 MW, located at Forest, ON
- Skyway 8 Wind Farm, 9.48 MW, located at Dundalk, ON

**SWNS Wind LP**

Ownership and operations of the following wind generation facilities (EG-2020-0254):

- Springwood, 8.2 MW, located at Fergus, ON
- Whittington, 6.15 MW, located at Amaranth, ON

<sup>1</sup> Note that this licence is in the process of being renewed, with the expectation that the licence will be in the name of MPT Hydro LP.

	<p>-Napier, 4.1MW, located at Kerwood, ON          - Sumac Ridge, 10.25MW, located at Kawartha Lakes, ON</p> <p><b><u>Watford Wind LP</u></b>          Ownership and operation of the 10 MW Watford Wind Farm (formerly known as Zephyr Farms Limited) located at Watford, ON (EG-2010-0318).</p> <p><b><u>Concord:</u></b></p> <p><b><u>Concord Val Caron Partnership</u></b>          Owner and operator of the HighLight Solar Project, with an installed capacity of 10 MW and located in Valley East, Ontario (EG-2013-0220).</p> <p><b><u>Concord MightySolar Partnership</u></b>          Owner and operator of the MightySolar Project, with an installed capacity of 10 MW and located in Chesterville, Ontario (EG-2013-0199).</p> <p><b><u>Concord RayLight Partnership</u></b>          Owner and operator of the RayLight Solar Park Generation Facility, with an installed capacity of 10 MW and located in Wyebridge, Ontario (EG-2013-0364).</p> <p><b><u>Concord Aria Partnership</u></b>          Owner and operator of the Aria Solar Park, with an installed capacity of 9 MW and located in the Township of Springwater, Ontario (EG-2014-0248).</p> <p><b><u>Concord EarthLight Partnership</u></b>          Owner and operator of the EarthLight Solar Park, with an installed capacity of 10 MW and located in Georgina, Ontario (EG-2014-0320).</p> <p><b><u>Concord Alfred Partnership</u></b>          Owner and operator of the Alfred Solar Park, with an installed capacity of 10 MW and located in Alfred Plantagenet, Ontario (EG-2015-0047).</p> <p><b><u>Concord BeamLight Partnership</u></b>          Owner and operator of the BeamLight Solar Park, with an installed capacity of 10 MW and located in Georgina, Ontario (EG-2013-0364).</p> <p><b><u>Silvercreek Joint Venture</u></b>          Owner and operator of the Silvercreek Solar Park, with an installed capacity of 10 MW and located in Aylmer, Ontario (EG-2014-0019).</p>	
1.3.2	<p>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> <p><b><u>Capstone</u></b>          As holding companies, Capstone Power and Transferee (by its general partner, Transferee GP) do not have their own service territories. Following the transaction, the Transferee will be the owner and operator of the Ganaraska Project, Grey Highlands ZEP Project, Settlers Landing Project, and Snowy Ridge Project. The geographic locations of these four Projects, as well as other Ontario generation projects owned and/or operated by Capstone Power's energy sector affiliates, are described in Section 1.3.1 above.</p> <p><b><u>Concord</u></b>          As a holding company, Concord does not have its own service territory. The geographic locations of Ontario generation projects owned and/or operated by Concord's energy sector affiliates are described in Section 1.3.1 above.</p>	
1.3.3	<p>Attach a breakdown of the annual sales (in C\$, and in MWh) as of the most recent year end of the existing generation output among the IESO Administered Markets, bilateral contracts, and local distribution companies.</p>	

1.3.4	<p>Capstone Power and its affiliates had annual sales through the IESO Administered Markets ("<b>IAM</b>") in the fiscal year of 2021 of \$128.7 million from 795,067 MWh<sup>2</sup>.</p> <p>Concord and its affiliates had annual sales through the IAM in the fiscal year of 2021 of \$53.8 million from 121,448 MWh.</p> <p>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 Director of Licensing or the Board, or forthcoming. Please include all Board file numbers.</p> <p>Please see Section 1.3.1 above for OEB licences/approvals held by the parties and their respective Electricity Sector Affiliates in Ontario.</p> <p>Other than the licence transfer application and section 81 notice that are the subject of this submission, there are no applications by the parties to the transaction that are currently before the OEB or forthcoming. As an electricity sector affiliate of Capstone, MPT Hydro LP is in the process of renewing its generation licence EG-2001-0772 (issued to CPOT Title Corp. on behalf of MPT Hydro LP), with the expectation that the licence will be in the name of MPT Hydro LP going forward.</p>	
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#### 1.4 Current Competitive Characteristics of the Market

1.4.1	<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 Energy Sector Affiliates, <b>prior to</b> the completion of the proposed transaction or project.</p> <p>The total generation capacity for the facilities controlled by Capstone Power and its Energy Sector Affiliates in Ontario is 441.8 MW.</p> <p>The total generation capacity for the facilities controlled by Concord's Energy Sector Affiliates in Ontario is approximately 75 MWh.</p>	
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1.4.2	<p>Describe the generation <b>market share</b> 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 Energy Sector Affiliates, <b>prior to</b> completion of the proposed transaction or project.</p> <p>The actual MWh production of the generation facilities controlled by Capstone Power and its Energy Sector Affiliates in Ontario in 2021 was 795,067 MWh.</p> <p>The actual MWh production of the generation facilities controlled by Concord's Energy Sector Affiliates in Ontario in 2021 was 121,448 MWh.</p> <p>Please note that Annual Primary Demand is no longer calculated by the IESO. As such, we are unable to calculate the generation market share percentage.</p>	
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#### 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>Please see the accompanying cover letter (in particular, Sections 2 and 4) for a description of the proposed transaction.</p>	
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<sup>2</sup> Representing the total sales/production of contracted generation resources majority or wholly owned by Capstone Power's subsidiaries in Ontario.

1.5.2	<p>Describe the generation <b>capacity</b> (in MW), within the Province of Ontario, of the parties to the proposed transaction or project, including each of their respective Energy Sector Affiliates, <b>after</b> the completion of the proposed transaction or project.</p> <p>The proposed transaction will not change the generation capacity of the various Ontario generation facilities controlled by the parties and their respective Energy Sector Affiliates.</p>	
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1.5.3	<p>Describe the generation <b>market share</b> 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 Energy Sector Affiliates, <b>after</b> the completion of the proposed transaction or project.</p> <p>The proposed transaction will not change the MWh capacity of the various Ontario generation facilities controlled by the parties and their respective Energy Sector Affiliates.</p> <p>Please note that Annual Primary Demand is no longer calculated by the IESO. As such, we are unable to calculate the generation market share percentage. In any event, the output from the four Projects involved in the proposed transaction will represent only a nominal percentage of the overall provincial electricity demand.</p>	
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1.5.4	<p>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.</p> <p>The proposed transaction will have no impact on competition because it:</p> <ul style="list-style-type: none"> <li>• does not substantively change the status quo, as the four Projects involved in the transaction will continue to be indirectly controlled by Capstone Power; and</li> <li>• will not change the fact that the 44 kV distribution lines associated with each Project (which are described in section 3.1.1 below and cause the Section 81 notice requirement to technically apply to the proposed transaction) will continue to be used for the sole purpose of conveying each Project's generation output to the HONI grid, as is the case before the proposed transaction.</li> </ul>	
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1.5.5	<p>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.</p> <p>The proposed transaction will have no impact on open access. For the reasons described above under 1.5.4, the proposed transaction will not give rise to adverse impacts on the development or maintenance of a competitive market in Ontario. Distribution open access is not a relevant concern since the above-mentioned distribution lines are used for the sole purpose of conveying generation output to the grid.</p>	
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## 1.6 Other Information

1.6.1	<p>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> <p>Each party to the transaction confirms that, to the best of its knowledge, it is in compliance with all licence and applicable code requirements and will continue to comply after the completion of the proposed transaction.</p>	
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**PART II: TRANSMITTERS, DISTRIBUTORS ACQUIRING OR CONSTRUCTING GENERATORS - SECTION 80**

All applicants filing Notice of Proposal under section 80 of the Act must complete and file the information requested in Part II.

**NOT APPLICABLE.**

**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.	
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.	
2.1.4	Provide details on whether the generation facility is expected to be a “must run” facility.	
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.	

**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 clause 82(2)(b) of the Act.

2.2.1	Provide reasons why the proposal is <b>required</b> to maintain the reliability of the transmission or distribution system. Provide supporting studies.	
2.2.2	Discuss the effect of the proposal on the <b>adequacy</b> (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 <b>security</b> (ability of supply to respond to system contingencies) of supply.	
2.2.4	Provide a copy of the IMO Preliminary System Impact Assessment Report, if completed, and the IMO Final System Impact Assessment Report, if completed. If the IMO is not conducting a System Impact Assessment Report, please explain.	

**PART III: GENERATORS ACQUIRE OR CONSTRUCT TRANSMISSION, DISTRIBUTION - SECTION 81**

All applicants filing Notice of Proposal under section 81 of the Act must complete and file the information requested in Part III.

**3.1 Effect on Competition**

3.1.1	Provide a description of the transmission or distribution system being acquired or constructed.  Ganaraska Project – 44 kV distribution line, approximately 0.2 km in length. Grey Highlands ZEP Project – 44 kV distribution line, approximately 2.3 km in length. Settlers Landing Project – 44 kV distribution line, approximately 0.5 km in length. Snowy Ridge Project – 44 kV distribution line, approximately 0.4 km in length.	
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	<p>The generation facilities being acquired by the Transferee are and will continue to be connected to the HONI distribution grid via the above-noted 44 kV distribution lines, which are and will continue to be used for the sole purpose of conveying generation output to the HONI distribution grid.</p> <p>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.</p> <p>The Projects are not expected to service a “load” pocket, nor are they likely to be “constrained on” due to transmission constraints (as the Projects are distribution-connected).</p>	
3.1.4	<p>Provide details on whether the generation facilities are expected to be “must-run” facilities.</p> <p>The Projects are not expected to be “must-run” facilities.</p>	

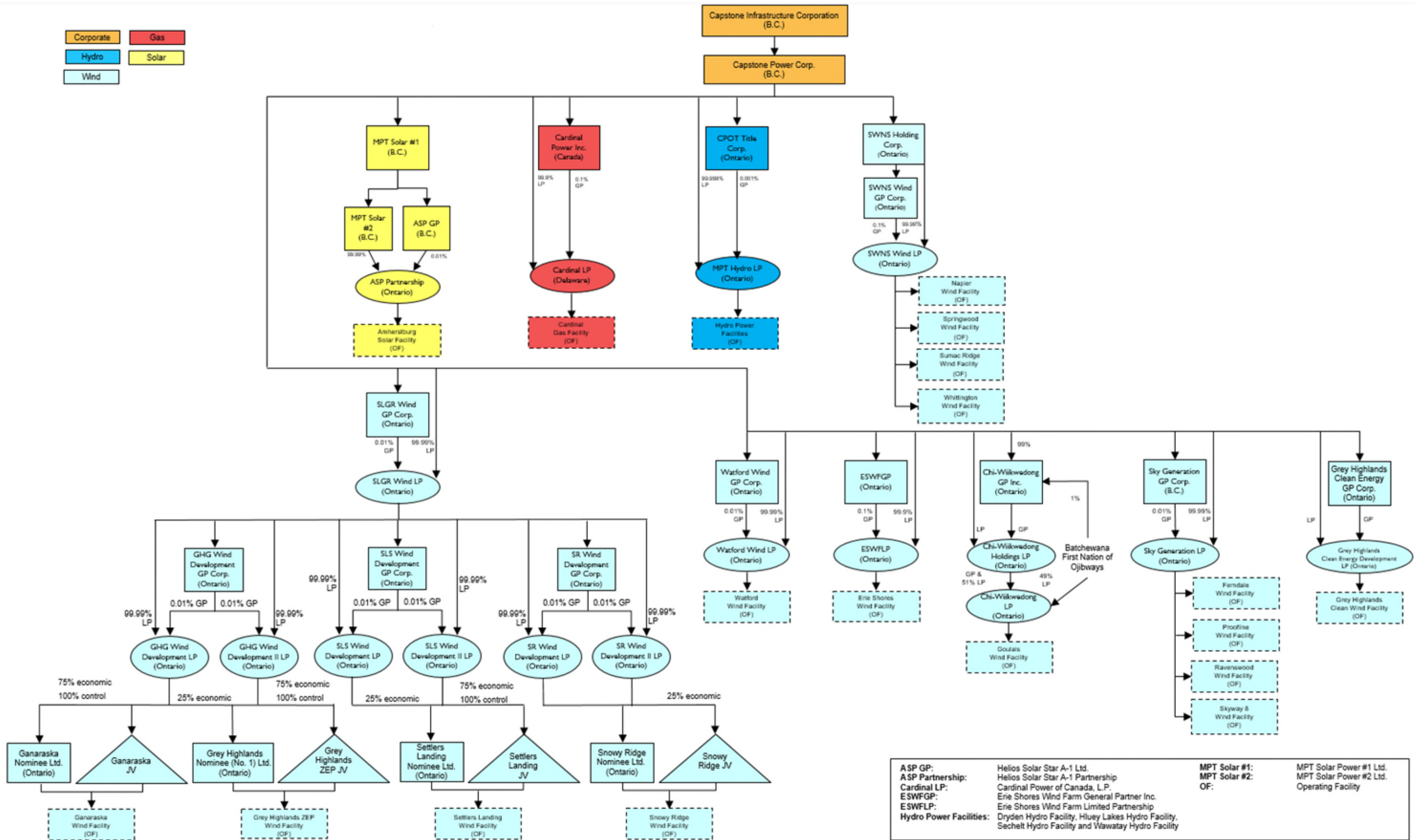
### How to Contact Us at the Ontario Energy Board

The Ontario Energy Board is located at:

2300 Yonge Street, Suite 2601  
Toronto, Ontario M4P 1E4

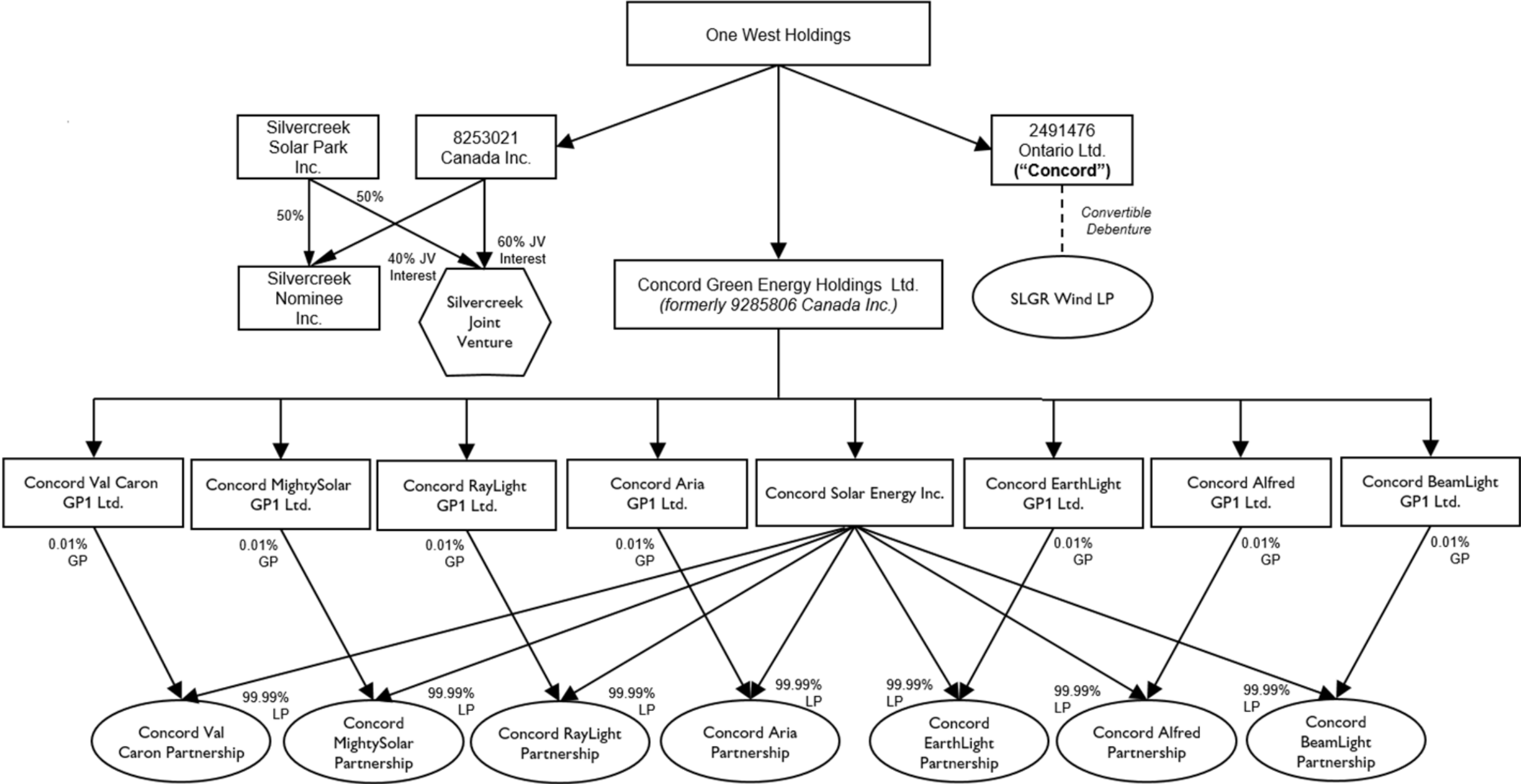
Telephone:	(416) 481-1967
Fax:	(416) 440-7656
website:	<a href="http://www.oeb.gov.on.ca">http://www.oeb.gov.on.ca</a>
Board Secretary's e-mail address:	<a href="mailto:boardsec@oeb.gov.on.ca">boardsec@oeb.gov.on.ca</a>

APPENDIX 1.2.2(A) TO ATTACHMENT “B”  
Pre-Closing Corporate Chart (Capstone)

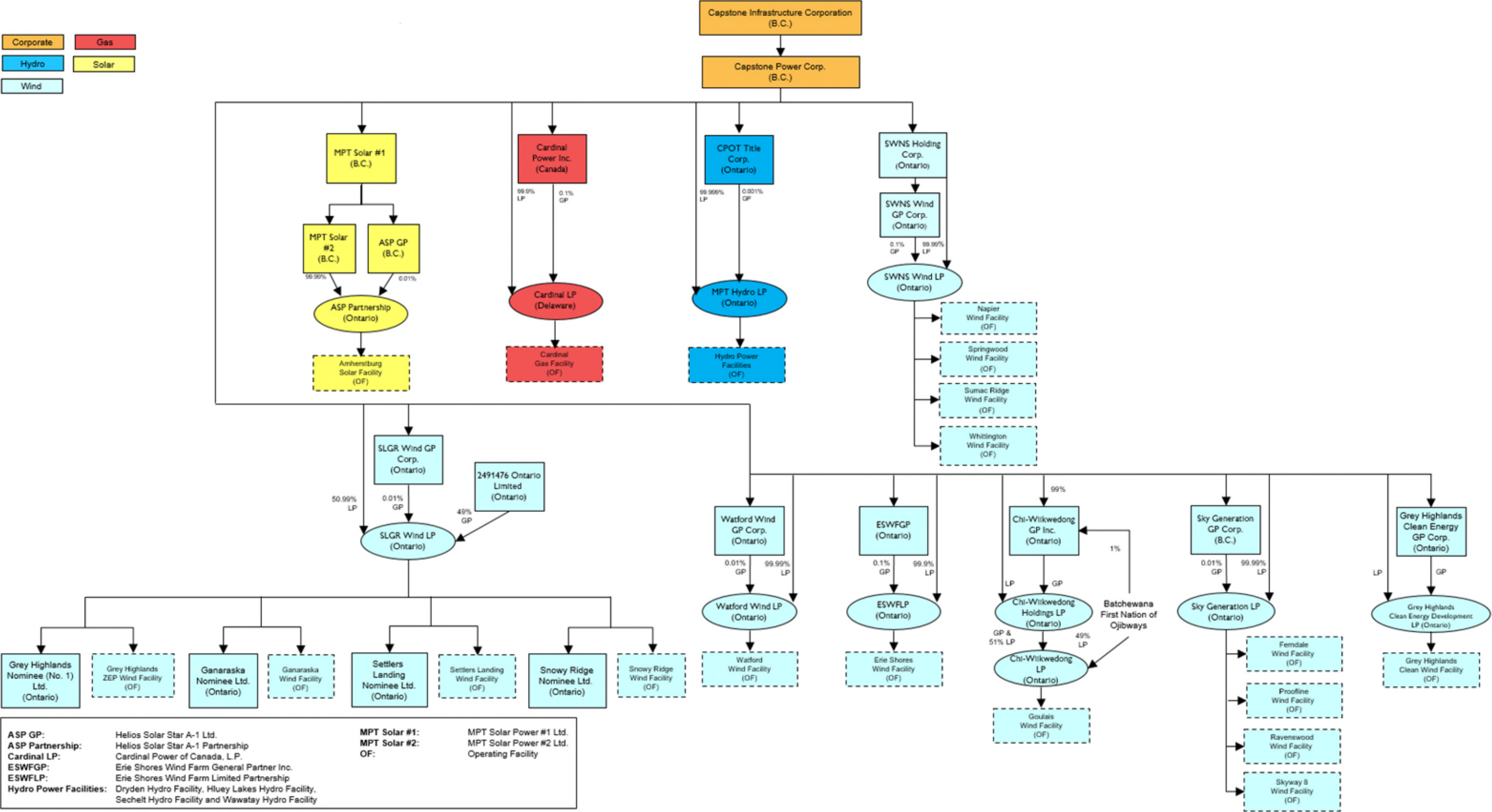




APPENDIX 1.2.2(A) TO ATTACHMENT “B”  
Pre-Closing Corporate Chart (Concord)



APPENDIX 1.2.2(B) TO ATTACHMENT “B”  
Post-Closing Corporate Chart (Capstone)



APPENDIX 1.2.2(B) TO ATTACHMENT “B”  
Post-Closing Corporate Chart (Concord)

