

Kashechewan First Nation Chief & Council

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August 4, 2023

Ms. Nancy Marconi, Registrar Ontario Energy Board PO Box 2319 27th Floor, 2300 Yonge Street Toronto, ON M4P 1E4

Dear Ms. Marconi,

Re: Transfer of Kashechewan Distribution System from KFN to KPC

Kashechewan First Nation ("KFN") holds electricity distribution licence ED-2003-0080 and owns the electricity distribution assets located in the community of Kashechewan (the "Kashechewan Distribution System"). KPC holds electricity distribution licence ED-2003-0081 and operates the Kashechewan Distribution System. KPC is a non-profit, non-share capital corporation, the members of which are the Chief and Council of KFN as they exist from time-to-time (i.e., KPC is fully owned and controlled by KFN).

Approximately 20 years ago, ownership of the Kashechewan Distribution System was transferred from Hydro One Remote Communities Inc. ("HORCI") to KFN. The Kashechewan Distribution System was not transferred to KPC at the time because it was believed that transferring the Kashechewan Distribution System to KPC would require an extensive survey of all lands used by the Kashechewan Distribution System. It has now been determined that that is not required. Since ownership was transferred from HORCI to KFN, KPC has been fully responsible for the operation of the electricity distribution system in Kashechewan.

Request

To normalize the regulatory situation in Kashechewan, KFN and KPC have entered into an agreement to transfer ownership of the Kashechewan Distribution System from KFN to KPC for nominal consideration. Pursuant to section 86(1)(a) of the *Ontario Energy Board Act*, 1998, and to satisfy a condition precedent of the transfer agreement, KFN and KPC are requesting an order from the Ontario Energy Board:

- (i) granting leave for KFN to transfer ownership of the Kashechewan Distribution System in its entirety to KPC;
- (ii) cancelling KFN's electricity distribution licence (ED-2003-0080); and,
- (iii) renewing KPC's electricity distribution licence (ED-2003-0081) which will expire on June 2, 2024.

Electricity consumers in Kashechewan will not be harmed by the transaction – and in fact, the transfer should be considered administrative in nature. KPC will continue to operate the electricity distribution business in Kashechewan in exactly the same manner post-transaction as it has for the past number of years.

For these reasons, KFN and KPC request that the Board exercise its authority under subsection 21(4) of the *Ontario Energy Board Act*, 1998 and grant the requested relief without a hearing.

Sincerely,

Chief Gaius Wesley

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cc: Kayla Wesley, Kashechewan Power Corporation, General Manager

Rod Reimer, Kashechewan Power Corporation, Consultant

Richard King, Osler, Hoskin & Harcourt LLP