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 Applicants (acquiring an interest): Algonquin Power & Utilities Corp. Algonquin Power Co.	File No: (Board Use Only)
Address of Head Office	Telephone Number (365) 292-1526
Canada	Facsimile Number N/A
	E-mail Address dahlia.simpson@libertyutiliti es.com
Name of Individual to Contact	Telephone Number (365) 292-1526
Dahlia Simpson	Facsimile Number N/A

	E-mail Address dahlia.simpson@libertyutiliti es.com	
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1.1.2 Other Parties to the Transaction or Project

If more than one attach list

Name of Other Parties (selling an interest): AYES International UK Limited	Board Use Only
Address of Head Office: Great West House, 17th Floor, Gw1 Great West Road, Brentford, United Kingdom, TW8 9DF	Telephone Number +44.34.682490873
	N/A
	E-mail Address irene.hernandez@atlantica. com
Name of Individual to Contact	Telephone Number +44.34.682490873
Irene Maria Hernandez Martin de Arriva	Facsimile Number N/A
	E-mail Address irene.hernandez@atlantica. com

Name of Parties (in whom share/units are being acquired): Atlantica Yield Energy Solutions Canada Inc.	Board Use Only	
Address of Head Office:	Telephone Number (604) 631-4274	

1133 Melville Street, Suite 3500, The Stack Vancouver, BC V6E 4E5 Canada	Facsimile Number N/A	
	E-mail Address Robert.eeuwese@libertyutilities .com	
Name of Individual to Contact	Telephone Number	
Robert Eeuwes	Facsimile Number (647) 862-8389	
	E-mail Address Robert.eeuwese@libertyutilitie s.com	

1.2 Relationship between Parties to the Transaction or Project

1.2.1 Attach a list of the officers, directors and shareholders of each of the parties to the proposed transaction or project.

APPLICANTS:

Algonquin Power & Utilities Corp.

Directors:

David Levenson
Amee Chande
Christopher G. Huskilson
Daniel S. Goldberg
Christopher F. Lopez
Brett C. Carter
Dilek Samil
D. Randall Laney
Melissa Stapleton Barnes

Officers:

Christopher G. Huskilson – Chief Executive Officer Jennifer Tindale – Chief Legal Officer and Corporate Secretary Darren Myers – Chief Financial Officer Sarah MacDonald – Chief Transformation Officer Colin Penny – Chief Information Officer Jeffery Norman – President of Renewables

Shareholder: Publicly traded

Algonquin Power Co.

Sole Beneficiary:

Algonquin Power & Utilities Corp.

TRANSFEROR:

AYES International UK Limited:

Director:

Irene Maria Hernandez Martin de Arriva

Officers:

Irene Maria Hernandez Martin de Arriva - Secretary

Shareholders:

Atlantica Sustainable Infrastructure PLC

OTHER PARTIES (in whom shares/units are being acquired)

Atlantica Yield Energy Solutions Canada Inc.:

Directors:

Guzmán Garcia Javier Albarracin Jeffery Norman

Officers:

No officers have been appointed.

Shareholder:

AYES International UK Limited (72.86% voting control)

Algonquin Power Co. (27.14% voting control)

1.2.2 Attach a corporate chart describing the relationship between each of the parties to the proposed transaction or project and each of their respective affiliates.

Please see Appendix 1 of the cover letter enclosing this Notice.

1.3 Description of the Businesses of Each of the Parties

1.3.1 Attach a description of the business of each of the parties to the proposed transaction or project, including each of their affiliates licenced 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 licenced under the OEB Act in Ontario ("Electricity Sector Affiliates").

Parties to the Transaction:

Applicants

Algonquin Power Co.

Algonquin Power Co. ("APCo") is a trust organized under the laws of Ontario that directly and indirectly owns generating facilities in Canada and the United States. The trust units of the APCo are wholly owned by Algonquin Power & Utilities Corp. ("APUC"), a corporation existing under the Canada Business Corporations Act and publicly traded on the Toronto Stock Exchange and the New York Stock Exchange.

Algonquin Power & Utilities Corp.

APUC's operations are organized across two primary business units consisting of: the Regulated Services Group, which primarily owns and operates a portfolio of regulated electric, water distribution and wastewater collection and natural gas utility systems and transmission operations in the United States, Canada, Bermuda and Chile; and the Renewable Energy Group, which primarily owns and operates, or has investments in, a diversified portfolio of renewable and

thermal energy generation assets. APUC's Renewable Energy Group is principally owned by APCo.

The Applicants indirectly own a controlling interest in three Ontario generation facilities and associated transmission and distribution systems. APCo directly and indirectly owns 100% of the shares in Algonquin Power (Canada) Holdings Inc., which, in turn, owns all of the shares of Algonquin Power (Long Sault) Corporation Inc. and all partnership units in Algonquin Power (Long Sault) Partnership ("Long Sault Partnership"). Long Sault Partnership holds a 50% undivided interest in the Long Sault Joint Venture, which owns and operates the Long Sault Rapids Generating Station, an 18-MW hydroelectric generating station in Cochrane, Ontario. The other 50% partner in the joint venture is a third party, N-R Power Partnership.

APCo also holds 100% of the shares of Cornwall Solar Inc., which owns and operates the Cornwall Solar Project,¹ a solar farm with an installed capacity of 10 MW in Cornwall, Ontario.

Finally, APCo indirectly owns a controlling interest in the Amherst Island Wind Project, a 74.112-MW wind farm located on Amherst Island, Stella, Ontario, and associated transmission and distribution systems (the "Facility"). This Facility is owned and operated by Windlectric Inc. ("Windlectric"), which is a wholly owned subsidiary of Amherst Island Partnership. APCo directly owns all of the Class A partnership units of Amherst Island Partnership, which carry 60% of the voting power under the terms of the Partnership Agreement. The remaining partnership units in Amherst Island Partnership, namely the Class B units, are wholly owned by Atlantica Yield Energy Solutions Canada Inc. ("Atlantica Canada") and carry 40% of the voting rights.

Ownership of Atlantica Canada is split between APCo and AYES International UK Limited ("AYES UK"), the vendor in the proposed transaction to which this Notice relates. APCo directly owns 2,835,967 Class II common shares in Atlantica Canada, each of which entitled it to one vote.² AYES UK, in turn, owns 230,735 Class A common shares, each of which entitle it to 33 votes. In other words, APCo holds 27.14% of voting rights in Atlantica Canada, while AYES UK holds 72.86% of voting rights. The proposed transaction will, once completed, result in the APCo acquiring all Class A common shares of Atlantica Canada from AYES UK, making APCo the owner of 100% of the equity of Atlantica Canada.

The APCo and its sole beneficiary APUC are applicants for the purposes of this Notice since they are affiliates of OEB-licensed generators³ and will, if the proposed transaction is completed, acquire an interest in the transmission and distribution infrastructure owned by Windlectric.

Vendor

AYES International UK Limited

AYES UK is corporation formed under the laws of the United Kingdom. It is a holding company that is wholly owned by Atlantica Sustainable Infrastructure PLC, a UK limited company that owns a portfolio of electricity generation and transmission assets in North America, South America, South Africa, Algeria, Italy, Spain and the United Kingdom.

OTHER PARTIES (in whom the Applicants is acquiring an interest)

Atlantica Yield Energy Solutions Canada Inc.

Atlantica Canada is a corporation formed under the laws of the Province of British Columbia for the purpose of owning renewable power assets. Atlantica Canada owns a 40% interest in Amherst Island Partnership, which in turn, owns Windlectric. As discussed above, Atlantica Canada is owned by AYES International UK Limited (which holds 72.86% of votes) and the APCo (which holds 27.14% of votes).

¹ Please note that this generation station is referred to as the "Cornwall Ground Mount Solar Project" in Cornwall Solar Inc.'s Electricity Generation Licence EG-2013-0265.

² APCo also owns 419,463 Class C common shares in Atlantica Canada, which carry no votes.

³ Namely, Algonquin Power (Long Sault) Partnership (OEB Electricity Generation Licence EG-2022-0215), Windlectric Inc. (OEB Electricity Generation Licence EG-2017-0120), and Cornwall Solar Inc. (OEB Electricity Generation Licence EG-2013-0265).

1.3.2 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.

The following parties do NOT serve a geographic territory:

Algonquin Power & Utilities Corp.
Algonquin Power Co.
Atlantica Yield Energy Solutions Canada Inc.
AYES International UK Limited

Electricity Sector Affiliates of the Applicants:

Windlectric Inc.

Windlectric Inc. holds legal title to a wind facility known as the Amherst Island Wind Project with an installed capacity of 74.112 MW located on Amherst Island, Stella, Ontario.

Cornwall Solar Inc.

Cornwall Solar Inc. holds legal title to the Cornwall Solar Project⁴ with an installed capacity of 10 MW located at 18337 Country Road 19, Cornwall, Ontario.

Algonquin Power (Long Sault) Partnership

Algonquin Power (Long Sault) owns a 50% undivided interest in the Long Sault Generating Station, an 18-MW hydroelectric facility on the Abitibi River in Blount Township, Cochrane, Ontario.

Electricity Sector Affiliates of the Vendor

None.

1.3.3 Attach a breakdown of the annual sales (in C\$, and in MWh) as of the most recent fiscal year end of the existing generation output among the IESO Administered Markets ("IAM"), bilateral contracts, and local distribution companies.

Windlectric Inc.

Windlectric Inc., which owns the Amherst Island Wind Project, sold 186.52 GWh of electricity in 2023 and had total sales of C\$ 28,802,503.58 for 2023.

Cornwall Solar Inc.

Cornwall Solar Inc., which owns the Cornwall Solar Project sold 13.93 GWh of electricity in 2023 and had total sales of C\$ 5,723,640.31 for 2023.

Algonquin-N-R Power Joint Venture

The joint venture comprised of Long Sault Partnership and N-R Power Partnership that owns the Long Sault Generating Station sold 107.85 GWh of electricity in 2023 and had total sales of C\$ 14,665,110.02 for 2023.

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 Board, or forthcoming. Please include all Board file numbers.

Windlectric Inc. holds OEB Electricity Generation Licence EG-2017-0120.

Cornwall Solar Inc. holds OEB Electricity Generation Licence EG-2013-0265.

⁴ Please note that this generation station is referred to as the "Cornwall Ground Mount Solar Project" in Cornwall Solar Inc.'s Electricity Generation Licence EG-2013-0265.

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Long Sault Partnership jointly holds OEB Electricity Generation Licence EG-2022-0215 along with N-R Power Partnership.

1.4 Current Competitive Characteristics of the Market

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 Electricity Sector Affiliates, prior to the completion of the proposed transaction or project.

Each of the entities listed in the chart below are Electricity Sector Affiliates of the Applicants. The Vendor, AYES UK, does not have any Electricity Sector Affiliates. Rather, it owns a 29.14% indirect interest in the Amherst Island Wind Project via its equity stake in Atlantica Canada.

Entity	MW
Windlectric Inc. (Amherst Island Wind	74.112 MW
Project)	
Long Sault Partnership/N-R Power	18 MW
Partnership Joint Venture	
Cornwall Solar Inc.	10 MW
TOTAL	102.11 MW

Please note that the 18-MW Long Sault Generating Station is owned by a joint venture between Long Sault Partnership and N-R Power Partnership. Long Sault Partnership only owns a 50% undivided interest in the Long Sault Generating Station. Accordingly, the total generating capacity of 18 MW associated with that facility should not be attributed solely to Long Sault Partnership.

Describe the generation market share 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 Electricity Sector Affiliates, prior to completion of the proposed transaction or project.

The Annual Primary Demand is no longer calculated by the IESO, but the IESO has stated that in 2023, Ontario's total annual electricity consumption was 137.1 TWh. (Source: http://www.ieso.ca/en/Corporate-IESO/Media/Year-End-Data)

The Amherst Island Wind Project owned by Windlectric Inc. produced a total of 186,520 MWh of electricity in 2023 and is anticipated to produce 206,000 MWh of electricity in 2024. This production represents less than 0.1% of the total Ontario energy demand.

The Cornwall Solar Project owned by Cornwall Solar Inc. produced a total of 13,930 MWh of electricity in 2023 and is anticipated to produce 14,100 MWh in 2024. This production represents approximately 0.01% of the total Ontario energy demand.

The Long Sault Generating Station co-owned by the joint venture formed by Long Sault Partnership and N-R Power Partnership produced a total of 53,930 MWh of electricity in 2023 and is budgeted to produce 55,750 MWh in 2024.⁵ This production represents less than 0.04% of the total Ontario energy demand.

In total, the Applicants and their Electricity Sector Affiliates control generating facilities that are anticipated to produce 331,600 MWh in 2024 (or 215,801 MWh if estimated production is prorated to reflect the Applicants' ownership share in the Amherst Island Wind Facility and Long Sault Generating Station). This prorated production figure represents approximately 0.125% of Ontario's total energy demand.

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⁵ This number is prorated to reflect Long Sault Partnership's 50% ownership interest in the generating station to accurately indicate the market share of Long Sault Partnership (and, therefore, the market share of the APCo and APUC).

1.5 Description of the Proposed Transaction or Project and Impact on Competition - General

1.5.1	Attach a detailed description of the proposed transaction or project, including geographic locations of proposed new transmission or distribution systems, or new generation facilities.	
	Please see the accompanying cover letter, which includes a detailed description of the proposed transaction.	
1.5.2	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 Electricity Sector Affiliates, after the completion of the proposed transaction or project.	
	The proposed transaction will not change the generation capacity controlled by the Applicants. Rather, it will result in the transfer of AYES's indirect 29.14% interest in the Amherst Island Wind Project (74.112 MW) to APCo, which already owns a controlling interest in the Facility.	
1.5.3	Describe the generation market share 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 Electricity Sector Affiliates, after the completion of the proposed transaction or project.	
	The proposed transaction will increase the market share of the Applicants by giving them full ownership of the Amherst Island Wind Project through the acquisition of AYES UK's 29.14% indirect interest in the Facility, which is anticipated to produce 206,000 MWh in 2024. This estimate, if prorated based on the Applicants' current 70.85% interest in the Facility, is 145,951 MWh. In other words, the proposed transaction will result in an increase in the Applicants' share of estimated Facility production by 60,049 MWh.	
	Following the closing of the proposed transaction, the Applicants will control Ontario generating assets that are anticipated to produce 331,600 MWh in 2024 (or 275,850 MWh if estimated production is prorated to account for the fact that the Applicants only hold a 50% ownership interest in the Long Sault Generating Station). ⁶ As stated above, this will represent an increase of 60,049 MWh compared to the pre-transaction status quo.	
	The IESO has stated that in 2023, Ontario's total annual electricity consumption was 137.1 TWh. Accordingly, the total estimated production controlled by the Applicant following the completion of the transaction will be less than 0.16% of electricity demand (if estimated production is prorated to account for the fact that the Applicants only hold a 50% ownership interest in the Long Sault Generating Station). This change in market share from approximately 0.125% to less than 0.16% is insignificant relative to the overall size of the market (or any relevant segment thereof).	
1.5.4	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.	
	The proposed transaction will have a negligible impact on competition within the Province of Ontario. The IESO utilized a competitive process for awarding the Feed-in-Tariff ("FIT") contract to Windlectric with respect to the Amherst Island Wind Project. Following the closing of the transaction, Windlectric will continue to be subject to the terms of the FIT contract signed with the IESO with respect to pricing and contract capacity.	

⁶ This budgeted production figure is comprised of the following project-specific estimates: (a) Amherst Island Wind Project – 206,000 MWh, (b) Cornwall Solar Project – 14,100 MWh, Long Sault Generating Station – 111,500 MWh (or 55,750 MWh if prorated based on the Applicants' ownership interest in the Generating Station).

Furthermore, the transmission and distribution lines in which the Applicants will acquire a further indirect interest are dedicated to conveying electricity generated by the Facility to a transmission system owned by Hydro One Networks Inc. ("Hydro One"), which forms part of the IESO-controlled grid (the "Grid"). Accordingly, the Applicants will not be rate-regulated and the financial risk of maintaining this infrastructure will remain with the Applicants.

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.

The proposed transaction will have no impact on open access. The transaction will not give rise to adverse impacts on the development or maintenance of a competitive market in Ontario, and open access to the transmission and distribution system is not a relevant concern since the transmission and distribution systems owned by Windlectric are used solely for the purpose of conveying generation output to the Grid.

1.6 Other Information

1.6.1 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.

Yes, the parties to the proposed transaction confirm that to the best of their knowledge they are each in compliance with all licence and code requirements and will continue to be in compliance after completion of the proposed transaction.

PART II: SECTION 80 OF THE ACT-TRANSMITTERS AND DISTRIBUTORS ACQUIRING AN INTEREST IN GENERATORS OR CONSTRUCTING A GENERATION FACILITY

All applicants filing a 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 sign a "must run" contract with the IESO.	
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 section 82(2)(b) of the Act.

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

PART III: SECTION 81 OF THE ACT-GENERATORS ACQUIRING AN INTEREST IN OR CONSTRUCTING A TRANSMISSION OR DISTRIBUTION SYSTEM

All applicants filing a 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.	
	Windlectric Inc. is a power producer that owns the Amherst Island Wind Project, as well as certain associated connection infrastructure that connect and convey generation output to the IESO-controlled grid (the "Grid"). The Facility is comprised of twenty-six SGRE (Siemens) D113 wind turbines, 34.5 kV collector lines, a collector substation, and transmission infrastructure. This transmission infrastructure consists of three sections:	
	 a 1.1-kilometer, 115 kV transmission line from the collector substation to a riser on the northern shoreline of Amherst Island; a 4.1-kilometer submarine cable operating at 115 kV that passes under Lake Ontario from Amherst Island to a riser located on the mainland; a 0.4-kilometer, 115 kV transmission line between the mainland riser and a mainland switching station that connects to Hydro One's 115 kV circuit Q6S located between Cataraqui Transmission Station (TS) and Sidney TS. This switching station is the point at which the Facility connects to the Hydro One transmission system that forms part of the Grid. 	
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.	
	The transmission and distribution systems that give rise to this Notice are already directly owned by a subsidiary of the Applicants, Windlectric Inc., and are used to connect the generation Facility to the Grid. The only change that will result from the proposed transaction is that APCo will acquire a 29.14 50% indirect interest in the Facility and associated transmission and distribution assets from AYES UK. No other generation facility owned by the Applicants will be connected to the Facility's transmission and distribution infrastructure.	
3.1.3	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.	
	The Facility does not serve a "load pocket".	
3.1.4	Provide details on whether the generation facilities are expected to sign a "must run" contract with the IESO.	

 7 Specifically, 14 turbine units have a capacity of 2.772MW, while the other 12 units have a 2.942MW capacity.

The Facility is not a "must-run" facility.

How to Contact the Ontario Energy Board
The Ontario Energy Board is located at:
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2300 Yonge Street, Suite 2701
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416-481-1967 Telephone: Toll Free Number: 1-888-632-6273

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