

June 26, 2025

EMAIL & RESS

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

Attention: Mr. Ritchie Murray, Registrar (Acting)

Dear Mr. Ritchie:

Re: Ontario Power Generation Inc. - Request for Electricity Generation Licence Amendment

We are legal counsel to Ontario Power Generation Inc. (OPG), which is licensed as an electricity generator under OEB licence number EG-2023-0231. We are writing to request an amendment to OPG's licence to provide for a limited scope exemption from the ring-fencing provisions under Part 7 of the licence. This narrow exemption is necessary to allow for certain work to be performed in relation to the connection and ongoing operation of facilities from Atura H2 LP's Niagara Hydrogen Centre behind the meter at OPG's Sir Adam Beck GS site in Niagara Falls.

Having regard to the Niagara Hydrogen Centre project schedule, OPG requests that a decision be issued by the end of August 2025. Below, we set out the relevant context for the request, including with respect to the ring-fencing provisions and the Niagara Hydrogen Centre, the need for and specifics of the relief being requested, and an explanation of why the amendment, if granted, will not detract from the protections established by the ring-fencing provisions.

A. Context

1. Ring-Fencing Provisions

OPG's licence authorizes it to own and/or operate 68 electricity generation facilities, as listed in Schedule 1 of the licence. In addition to its ownership and operation of those facilities, OPG carries on other business activities, including through various affiliated entities. One of OPG's wholly-owned affiliates is NV LP, which carries on business under the name Atura Power.

NV LP is the sole limited partner in Portlands Energy Centre LP (PEC LP), which also carries on business under the name Atura Power. Until 2020, PEC LP held only a 50% interest in the Portlands Energy Centre. In 2020, OPG acquired from TransCanada Energy Ltd., through NV LP, the Halton Hills and Napanee Generation Stations, as well as the remaining 50% interest in the Portlands Energy Centre. All three of these generating facilities are owned and operated by PEC LP pursuant to licence EG-2004-0540.

In connection with PEC LP's request to amend its generation licence to include authorizations for the facilities acquired from TransCanada, the OEB on its own motion imposed conditions in both PEC LP's licence and OPG's licence to address concerns about market power, including by introducing ring-fencing provisions.¹ Specifically, the OEB added a new Part 7 (Ring-Fencing of Affiliate Market Functions) to OPG's licence and a new Part 5A (Ring-Fencing of Market Functions) to PEC LP's licence. In imposing these conditions, the OEB noted that it had no reason to believe OPG had engaged in or intended to engage in anti-competitive activities, but considered the conditions appropriate to ensure confidence in the market and to protect consumers from the potential for such behaviour. The OEB subsequently revised the language of the ring-fencing provisions.²

In summary, the aspects of the ring-fencing provisions (as amended) that are relevant to the current request are as follows:

- OPG must implement a ring-fencing plan to ensure that no competitively sensitive information (CSI) pertaining to OPG is disclosed to NV LP or any subsidiary of NV LP (including any of their general partners). CSI includes, among other things, information about forward-looking outage plans that is not in the public domain.
- PEC LP (including its general partner), must implement a ring-fencing plan to ensure that employees of PEC LP that are directly involved in the offer to supply electricity or ancillary services into any of the IESO-administered markets do not obtain or have access to CSI pertaining to OPG, and that no CSI pertaining to OPG that may be in the possession of PEC LP is used by PEC LP for any purpose relating to the offer to supply electricity or ancillary services into any of the IESO-administered markets.

2. *Niagara Hydrogen Project*

In April 2022, the Province finalized its hydrogen strategy.³ OPG and Atura Power continue to support the provincial hydrogen strategy, including through a plan to produce hydrogen gas through an innovative demonstration project. Specifically, Atura Power is developing the Niagara Hydrogen Centre (NHC) as a demonstration project through its affiliate Atura H2 LP ("Atura H2"). The NHC will be a hydrogen production facility located adjacent to OPG's Sir Adam Beck GS (SAB) in Niagara Falls, and will be supplied with electricity via a short

¹ OEB, Decision and Order, April 9, 2020, EB-2019-0258/EB-2020-0110.

² OEB, Decision and Order, April 20, 2021, EB-2019-0258/EB-2020-0110.

³ See [Ontario's Low-Carbon Hydrogen Strategy | ontario.ca](https://www.ontario.ca/en/energy/natural-resources/ontario-low-carbon-hydrogen-strategy).

distribution line that connects to SAB through arrangements previously described in Atura H2's application for an electricity wholesaler licence (EW-2024-0284) and its notice under s. 81 of the OEB Act (EB-2023-0114).

To safely complete construction of the facilities necessary to supply electricity from SAB to the NHC, OPG and Atura H2 require an outage on certain units at SAB. OPG and Atura H2 have determined that to construct the connection facilities they are able to rely on an outage that has already been scheduled by Hydro One in September 2025 for unrelated work. As that outage has been published by the IESO on its website, information about that outage is in the public domain and is therefore not CSI for purposes of the ring-fencing provisions. However, in considering the ability to leverage the Hydro One-scheduled outage, OPG and Atura H2 realized that if it were not for that outage having been scheduled and published by the IESO, they would have experienced significant difficulties in communicating about the scheduling of an outage due to the ring-fencing provisions, which prohibit OPG from sharing forward-looking, non-public outage information with NV LP and its affiliates. Moreover, OPG and Atura H2 have recognized that additional short outages are likely to be needed for commissioning and from time to time over the life of the NHC to support ongoing operation and maintenance of the relevant OPG facilities.

B. Relief Requested

1. Need for Relief

The need for short outage periods, in relation to the connection of the NHC at SAB, introduces an issue under OPG's ring-fencing provisions. Specifically, Atura H2 is expected to request such outages from OPG for commissioning and testing, and OPG may require such outages from time to time for operational or maintenance purposes in relation to its own facilities. In either case, OPG would need to request approval for the outage from the IESO, but the IESO would not be expected to publish the outage information on its website as it did for the Hydro One-initiated outage. Any forward-looking information about such an outage would fall within the meaning of CSI, which OPG is prohibited by the ring-fencing provisions of its licence from disclosing to Atura H2 as an affiliate of NV LP. This prohibition applies notwithstanding PEC LP's implementation of its ring-fencing plan in accordance with its licence requirements.

OPG is therefore requesting a limited scope exemption from the ring-fencing requirements in its licence, which will enable it to share forward-looking, non-public outage information with Atura H2, but only in relation to outages (a) that are necessary for the connection, commissioning or testing of NHC-related facilities, or (b) that are required by OPG to perform work on the units and associated facilities at SAB that are directly involved in the supply and delivery of electricity from OPG to the NHC.

2. Specific Relief Requested

To give effect to the requested limited scope exemption, OPG hereby requests that the OEB amend the current version of its electricity generation licence EG-2023-0321, which was most

recently amended April 30, 2025, by adding the following as a new paragraph 4 under Part 7 of the licence, which is entitled “Ring-Fencing of Affiliate Market Functions”:

4. *Notwithstanding the requirements in paragraphs 2 and 3 of this Part 7, the Licensee shall not be prohibited from sharing CSI with NV LP’s subsidiary Atura H2 LP to the extent the CSI consists of information related to forward-looking outage plans that are not in the public domain (a) where the outage plans are necessary for the connection, commissioning or testing of Atura H2 LP facilities associated with its hydrogen production facility known as the “Niagara Hydrogen Centre”, or (b) where OPG requires the outage to perform work on units and associated facilities at its Sir Adam Beck II Generating Station that are directly involved in the supply and delivery of electricity to the Niagara Hydrogen Centre.*

C. No Impact on Protections

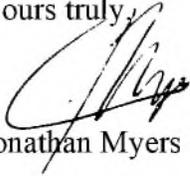
The proposed exemption would not detract from the market and consumer protections established by the ring-fencing provisions. Other than the limited scope exemption set out above, all requirements under Part 7 of OPG’s licence would continue to apply in full.

Furthermore, while the exemption would provide a narrow basis for OPG to share forward-looking, non-public outage information with one NV LP affiliate (i.e. Atura H2), the existing ring-fencing conditions in PEC LP’s licence provide robust protections that are sufficient to mitigate any real or perceived risk to the market and Ontario customers. In particular, as noted above, those conditions require PEC LP (including its general partner) to implement a ring-fencing plan which ensures that employees of PEC LP that are directly involved in the offer to supply electricity or ancillary services into any of the IESO-administered markets do not obtain or have access to CSI pertaining to OPG, and that no CSI pertaining to OPG that may be in the possession of PEC LP is used by PEC LP for any purpose relating to the offer to supply electricity or ancillary services into any of the IESO-administered markets.

To provide further assurance to the OEB, we have included a letter from Atura Power on behalf of PEC LP, attached hereto at **Appendix ‘A’**, confirming (a) that, notwithstanding OPG’s requested limited scope exemption to facilitate work in relation to Atura H2’s NHC, PEC LP will continue to fully implement its ring-fencing plan, and (b) that its ring-fencing plan will continue to ensure that employees of PEC LP that are directly involved in the offer to supply electricity or ancillary services into any of the IESO-administered markets do not obtain or have access to CSI pertaining to OPG (including if shared with Atura H2 under OPG’s proposed exemption) and that no CSI pertaining to OPG that may be in the possession of PEC LP (including if shared with Atura H2 under OPG’s proposed exemption) is used by PEC LP for any purpose relating to the offer to supply electricity and ancillary services into any of the IESO-administered markets, as required by items (ii) and (iii) under section 5A.2 of its licence.

As noted, so as to not impact the schedule for the NHC project, OPG respectfully requests that a decision be issued by the end of August 2025. If you have any questions or require any further information, please do not hesitate to contact me at the number or email address shown above.

Yours truly,

A handwritten signature in black ink, appearing to read 'J. Myers', written over the printed name 'Jonathan Myers'.

Jonathan Myers

cc: Mr. Peter Cuff, OPG
Mr. David Houghton, Atura Power

APPENDIX 'A'

Letter from Atura Power

Atura Power

June 26, 2025

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

Attention: Mr. Ritchie Murray, Registrar (Acting)

Dear Mr. Ritchie:

Re: Implementation of Portland Energy Centre L.P.'s Ring-Fencing Plan

Please accept this letter on behalf of and in my capacity as Vice President, Corporate Affairs & General Counsel of Atura Power (consisting of NV LP and its subsidiaries identified as the "Atura Entities" in OEB generation licence EG-2004-0540), including Portlands Energy Centre L.P. ("PEC LP") and Atura H2 L.P. ("Atura H2"), an affiliate of PEC LP and party to OEB electricity wholesaler licence EW-2024-0284.

Atura Power is aware of the request by Ontario Power Generation Inc. ("OPG") to the OEB for a limited exemption from its ring-fencing requirements under Part 7 of its generation licence, and that the purpose of that request is to facilitate connection, commissioning and ongoing operation of Atura H2's Niagara Hydrogen Centre facility.

The purpose of this letter is to confirm to the OEB that any such exemption, if granted to OPG, will not impact ongoing implementation of Atura Power's ring-fencing plan in accordance with the requirements under Part 5A of its licence (EG-2004-0540), and to provide assurance to the OEB that Atura Power's ring-fencing plan will continue to provide the intended protections for the market and Ontario consumers. In particular, Atura Power's ring-fencing plan will continue to ensure, among other things, that: i) employees of PEC LP that are directly involved in the offer to supply electricity or ancillary services into any of the IESO-administered markets do not obtain or have access to CSI (as defined in the licence) pertaining to OPG, including if shared in relation to Atura H2 under OPG's proposed exemption; and ii) that no CSI pertaining to OPG that may be in the possession of PEC LP, including if shared in relation to Atura H2 under OPG's proposed exemption, will be used by PEC LP for any purpose relating to the offer to supply electricity and ancillary services into any of the IESO-administered markets, as required by items (ii) and (iii) under section 5A.2 of its licence.

Sincerely,



David Haughton
Vice President, Corporate Affairs & General Counsel

Atura Power
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Oakville, Ontario
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