

**ONTARIO ENERGY BOARD**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*,  
S.O. 1998, c.15, Schedule B (the “OEB Act”)

**AND IN THE MATTER OF** section 86(2) of the OEB Act

**AND IN THE MATTER OF** an Application by Bamkushwada Limited Partnership, by its  
General Partner, Bamkushwada General Partner Inc., for leave to acquire voting  
securities of an Ontario transmitter, Upper Canada Transmission 2, Inc., the general  
partner of East-West Tie Limited Partnership

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**APPLICATION FOR AN ORDER FOR LEAVE TO ACQUIRE VOTING SECURITIES**

**OF UPPER CANADA TRANSMISSION 2, INC.**

**December 5, 2025**

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## 2.2 EXHIBIT B: THE APPLICATION

### 2.2.1 Administrative

#### a. Application Overview

This is an application ("**Application**") to the Ontario Energy Board (the "**OEB**") for an order of the OEB granting leave to Bamkushwada Limited Partnership ("**BLP**" or the "**Applicant**") to increase its shareholding of the voting securities in Upper Canada Transmission 2, Inc. ("**UCT2**"), a licensed Ontario transmitter, up to 20%.

BLP currently holds 3.506% of the voting securities of UCT2.

UCT2 is authorized by the OEB to transmit electricity over the East-West Tie line, a 230 kV double circuit transmission line running approximately 450 kilometres from Lakehead Transformer Station in Thunder Bay to Wawa Transformer station (the "**EWT Project**").

As BLP is acquiring more than 10% of the voting securities of UCT2, section 86(2)(a) of the [Ontario Energy Board Act, 1998](#) (OEB Act) requires the filing of this Application.<sup>1</sup>

As indicated in the cover letter, this Application generally follows the Filing Requirements for Consolidation Applications (the "**Filing Requirements**") and the OEB's July 2024 Handbook to Electricity Distributor and Transmitter Consolidations (the "**Handbook**"). The Applicant submits that the evidence provided in this Application demonstrates that the Proposed Transaction meets the requirements of the Handbook's "no harm" test.

BLP requests that the OEB make a decision on the Application without a hearing pursuant to section 21(4) of the OEB Act<sup>2</sup> based on the following factors:

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<sup>1</sup> Section 86(2) of the OEB Act which states:

(2) No person, without first obtaining an order from the Board granting leave, shall,

(a) acquire such number of voting securities of a transmitter or distributor that together with voting securities already held by such person and one or more affiliates or associates of that person, will in the aggregate exceed 10 per cent of the voting securities of the transmitter or distributor; or

(b) acquire control of any corporation that holds, directly or indirectly, more than 10 per cent of the voting securities of a transmitter or distributor if such voting securities constitute a significant asset of that corporation. 1998, c. 15, Sched. B, s. 86 (2); 2015, c. 29, s. 15 (1, 2).

<sup>2</sup> Section 21(4) of the OEB Act states:

No hearing

- no person, other than the Applicant, would be adversely affected in a material way by the outcome of the proceeding and the Applicant consents to disposing of the proceeding without a hearing.
- the Proposed Transaction will not have an adverse impact on ratepayers, or on the price, adequacy, reliability and quality of electricity service.
- the Proposed Transaction has been contemplated since the inception of the EWT Project and is necessary for enabling Indigenous participation in the project.

This Application is the culmination of a series of transactions and OEB approvals over several years which can be summarized in the following chronology:

- January 2019: the Minister of Energy, Northern Development and Mines, issued a directive to the OEB to grant Leave to Construct (“LTC”) the EWT Project to NextBridge;<sup>3</sup>
- February 2019: the OEB granted the LTC to NextBridge, as well as an amended NextBridge Transmission Licence to require NextBridge to construct, expand or reinforce the EWT Project;
- June - August 2021: the OEB issued its Decision and Revenue Requirement Order in UCT’s inaugural revenue requirement application for the EWT Project (“**2020 Rate Application**”);<sup>4</sup>
- March 2022: the EWT Project went into service;
- February 2023:
  - o NextBridge changed its name to East-West Tie Limited Partnership (“**EWTLP**”) with UCT2 as the general partner;<sup>5</sup>
  - o UCT submitted a request to the OEB to transfer its transmission licence to UCT2.
- March 2023: OEB transferred the transmission licence from UCT to UCT2;
- November 2023: EWTLP, by its general partner UCT2, filed an OEB application for rate recovery and related relief (the “**2023 Rate Application**”);

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(4) Despite section 4.1 of the *Statutory Powers Procedure Act*, the Board may, in addition to its power under that section, dispose of a proceeding without a hearing if,

(a) no person requests a hearing within a reasonable time set by the Board after the Board gives notice of the right to request a hearing; or

(b) the Board determines that no person, other than the applicant, appellant or licence holder will be adversely affected in a material way by the outcome of the proceeding and the applicant, appellant or licence holder has consented to disposing of a proceeding without a hearing.

<sup>3</sup> NextBridge was comprised of three limited partners and one general partner. The general partner of NextBridge was UCT. NextBridge changed its name to East-West Tie Limited Partnership (EWTLP) in February 2023.

<sup>4</sup> [EB-2020-0150](#)

<sup>5</sup> The limited partners of EWTLP were, as of October 2023, the following entities: NextEra Energy NextBridge Holding, ULC, Enbridge Transmission Holdings Inc., Borealis NB Holdings Inc., NextBridge (OptionCo) Inc. and BLP.

- June 2024: OEB issued its decision on the 2023 Rate Application.<sup>6</sup>

For completeness of the evidence in this Application, the Applicant notes that, in December 2024 Hydro One Networks Inc. (“**Hydro One**”) acquired a 48% interest in EWTLTP.<sup>7</sup> Hydro One’s acquisition was of partnership units in EWTLTP and 50% equity interest in UCT1. As Hydro One did not acquire voting securities in UCT2, the licensed transmitter, or acquire a controlling interest in the EWT Project, an application under section 86(2) of the OEB Act was not required. Attached as Appendix “**A**” is the letter filed by Hydro One’s counsel to the OEB with respect to the Hydro One acquisition.

The above-noted chronology provides necessary context for the current Application for BLP to acquire a 20% interest in EWTLTP and UCT2. As discussed further below, the intended BLP acquisition was on the evidentiary record in the first-rate application for the EWT Project’s revenue requirement (EB-2020-0150) and again in the recent 2023 Rate Application and no objections were raised by the OEB or intervenors in those proceedings to the planned acquisition by BLP.

Given the above-noted history of the East-West Tie line and clear disclosure of the intended acquisition by BLP since the EWT Project’s inception, we respectfully submit that the OEB should proceed without a hearing and grant the requested order approving the Proposed Transaction.

b. Name of Applicant, Authorized Representatives and Legal Counsel

**Applicant**

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<sup>6</sup> [EB-2023-0298](#)

<sup>7</sup> Hydro One acquired its holding from the following limited partners of EWTLTP: affiliates of OMERS Infrastructure Management Inc. and Enbridge Transmission Holdings Inc.

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**East-West Tie Limited Partnership and  
Upper Canada Transmission 2, Inc.**

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**c. Certificate of Evidence**

Attached as Appendix “**B**” to the Application is the Applicant’s Certificate of Evidence.

**2.2.2 Description of the Business of the Parties to the Transaction**

Bamkushwada Limited Partnership

Bamkushwada Limited Partnership (“**BLP**”) is a limited partnership that represents six (6) First Nations: Michipicoten First Nation, Red Rock Indian Band, Biigtigong Nishnaabeg, Pays Plat First Nation, Netmizaaggamig Nishnaabeg, and Fort William First Nation.

The general partner of BLP is Bamkushwada General Partner Inc.  
BLP currently has a 3.5036% ownership interest in UCT2 and EWTLP.

The parties to the Proposed Transaction intend for BLP to acquire an incremental (“**top-up**”) interest to 20% in UCT2 and the EWTLP. As discussed further below, the BLP acquisition was contemplated in the inaugural 2020 Rate Application and subsequent 2023 Rate Application.

#### Upper Canada Transmission Inc. and Upper Canada Transmission 2 Inc.

Upper Canada Transmission Inc. (“**UCT**”), is a New Brunswick corporation established for the purpose of developing, owning, and operating transmission facilities in Ontario known as the East-West Tie line (“**EWT Project**”). UCT was the general partner, acting for and on behalf of the limited partnership, NextBridge Infrastructure LP, which was renamed EWTLP in February 2023.

UCT was designated by the OEB’s Decision and Order dated August 7, 2013 (EB-2011-0140) as the transmitter for the development of the EWT Project.

UCT was also the holder of OEB electricity transmission licence ET-2011-0222 (“**Transmission Licence**”).

Upper Canada Transmission 2, Inc. (“**UCT 2**”) is a corporation incorporated in Ontario on February 16, 2023, as indicated by the Articles of Incorporation at Appendix “**C**” to this Application.

In February 2023, UCT applied to the OEB to transfer the Transmission Licence to UCT2, the general partner of EWTLP. The OEB granted the request and transferred the Transmission Licence to UCT2 on March 9, 2023. Attached as Appendix “**D**” is the Transmission Licence transferred to UCT2.

As the licensee, UCT2 maintains the technical and financial qualifications to safely and reliably operate and maintain the EWT Project.

#### East-West Tie Limited Partnership

East-West Tie Limited Partnership (“**EWTLP**”) is a limited partnership declared in Ontario on September 14, 2012, as indicated on the Declaration of an Ontario Limited Partnership at Appendix “**E**” to this Application. The general partner of EWTLP is UCT2.

The predecessor to EWTLP was NextBridge Infrastructure, LP (“**NextBridge**”) which changed its name to EWTLP in February 2023.

### **2.2.3 Description of the Proposed Transaction**

The Proposed Transaction consists of BLP acquiring an incremental (“**top-up**”) interest in UCT2 and EWTLP to a total of 20% of the outstanding voting securities of UCT2 and

partnership units. BLP currently has a 3.506% ownership interest in UCT2 and a commensurate interest in EWTLP.

In order to implement the incremental acquisition, BLP will execute a Share Subscription (for UCT2 shares) and a Unit Subscription (for EWTLP units, both of which are attached as Appendix “F”).

#### Proposed Transaction Disclosed in Inaugural 2020 Rate Application

As indicated above, the incremental BLP acquisition was contemplated in the inaugural 2020 Rate Application filed by UCT for the EWT Project. Attached as Appendix “G” is the detailed description of the corporate structure of the original NextBridge limited partnership and contemplated acquisition by BLP of a 20% interest in UCT, the original general partner. This information was included in the evidence filed in the 2020 Rate Application to the OEB.<sup>8</sup>

Attached as Appendix “H” are the limited interrogatories in the 2020 Rate Application regarding the corporate structure<sup>9</sup>, none of which inquired about the intended acquisition by BLP, and the responses to the interrogatories.

#### Proposed Transaction Updated in 2023 Rate Application

The 2023 Rate Application<sup>10</sup> disclosed an updated corporate structure, namely:

- Name change from NextBridge to EWTLP;
- UCT 2 as the general partner for EWTLP;
- Updated organization chart showing ownership structure as of October 2023; which is attached as Appendix “I” to this Application.

The 2023 Rate Application also explained that BLP had not yet been able to acquire the incremental interest to bring its total ownership to 20% on or shortly after commercial operation date, as planned, and that additional time was required to effectuate an ownership structure to deliver economic benefits to Indigenous partners<sup>11</sup> In response to OEB staff interrogatories, UCT2 discussed the impacts of the lower than planned BLP ownership in the EWT Project at that time and how UCT2 engaged with Indigenous communities to ensure they had the opportunity for long-term economic participation in the project.<sup>12</sup> Attached as Appendix “J” are the responses to the relevant interrogatories from the 2023 Rate Application.

The OEB and intervenors did not raise any concerns or objections to the continued intent for BLP to acquire 20% interest in the EWT Project in the 2023 Rate Application.

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<sup>8</sup> [EB-2020-0150](#) Application, Exhibit A, Tab 6, Schedule 1, pages 1-5

<sup>9</sup> EB-2020-0150 [Interrogatory Responses](#), Staff IR#9 and Energy Probe IR#11

<sup>10</sup> EB-2023-0298 [Application](#), Exhibit A, Tab 1 page 5 and Exhibit A, Tab 2

<sup>11</sup> EB-2023-0298 [Application](#), Exhibit F, Tab 1, pages 1-2

<sup>12</sup> EB-2023-0298 [Interrogatory Responses](#), Staff IR#1, Staff IR#47 and VECC IR#06

In both the inaugural 2020 Rate Application and in the 2023 Rate Application, the evidentiary record clearly laid out that the parties intended for BLP to acquire a 20% interest in the EWT Project. No objections or concerns were raised by the OEB or intervenors. The Applicant has no reason to believe that any stakeholder would have a concern with the incremental BLP acquisition contemplated by the Proposed Transaction at this point in time either.

## 2.2.4 Impact of the Proposed Transaction

### “No Harm” Test

In reviewing an application for an acquisition under section 86 of the OEB Act, the OEB has applied its “no harm” test which was first established by the OEB in 2005 through a proceeding.<sup>13</sup>

As set out in the OEB’s [Handbook](#), in carrying out its responsibilities, the OEB is guided by statutory objectives set out in section 1 of the OEB Act. The “no harm” test considers whether the proposed transaction is expected to have an adverse effect on the matters prescribed in these statutory objectives, as set out in section 1 of the OEB Act. The OEB will consider whether the “no harm” test is satisfied based on an assessment of the cumulative effect of the transaction on the matters prescribed in its statutory objectives. If the proposed transaction is expected to have a positive or neutral effect on these matters, the OEB will approve the application. While the OEB has broad statutory objectives, in applying the “no harm” test, the OEB has primarily focused its review on impacts of the proposed transaction *on price and quality of service to customers, and the cost effectiveness, economic efficiency and financial viability of the electricity distribution sector*.<sup>14</sup>

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<sup>13</sup> OEB File No. RP-2005-0018/EB-2005-0234/EB-2005-0254/EB-2005-0257

<sup>14</sup> [OEB Handbook](#), pages 7-9.

The OEB’s statutory objectives in regulating the electricity sector set out in section 1 of the OEB Act are:  
**1 (1)** The Board, in carrying out its responsibilities under this or any other Act in relation to electricity, shall be guided by the following objectives:

1. To inform consumers and protect their interests with respect to prices and the adequacy, reliability and quality of electricity service.

- 1.1 REPEALED: 2019, c. 6, Sched. 2, s. 1.

2. To promote economic efficiency and cost effectiveness in the generation, transmission, distribution, sale and demand management of electricity and to facilitate the maintenance of a financially viable electricity industry.

3. To promote electricity conservation and demand management in a manner consistent with the policies of the Government of Ontario, including having regard to the consumer’s economic circumstances.

4. To facilitate innovation in the electricity sector.

Based on the guidance in the OEB Handbook regarding the application of the “no harm” test in the context of the relevant statutory objectives, the Applicant submits that the Proposed Transaction meets the “no harm” test and should be approved by the OEB.

***a. OEB Objective 1 - Protect consumers with respect to prices and the adequacy, reliability and quality of electricity service***

As there is no change in the ownership or operational control of the EWTLP or UCT2 during or at the conclusion of the Proposed Transaction, there is no anticipated negative impact with respect to prices and the adequacy, reliability and quality of electricity.

As indicated above, BLP’s top-up acquisition of additional securities UCT2 and the EWTLP will be financed with a loan to BLP. Neither UCT2 nor EWTLP is borrowing funds and there is therefore no risk of increased debt resulting from the Proposed Transaction which could result in higher costs transferred to ratepayers. Therefore, there is no change to the underlying cost structure of the EWT line that is expected to increase the cost to serve consumers.

Furthermore, there is no harm resulting from the Proposed Transaction with respect to the adequacy, reliability and quality of electricity service. UCT2, as the holder of the Transmission Licence, will continue to maintain the technical and financial qualifications to safely and reliably operate and maintain the EWT Project. The EWT Project itself increases significantly the electricity transfer capability into Northwest Ontario and improves the flexibility and efficiency of Ontario’s transmission grid.

The Applicant submits that the Proposed Transaction results in no harm in the context of the first OEB statutory objective.

***b. OEB Objective 2 - promote economic efficiency and cost effectiveness and facilitate the maintenance of a financially viable electricity industry***

As indicated above, there is no impact on the financial status of UCT2 or EWTLP as a result of the Proposed Transaction. Neither UCT2 nor EWTLP is incurring debt or using EWT Project assets to finance BLP’s incremental acquisition so there is no change to the capital structure of UCT2 or EWTLP that would negatively impact the financial viability of the EWT Project. Furthermore, the costs associated with the Proposed Transaction (e.g. legal, regulatory) will be financed from the loan advanced to BLP for its incremental acquisition so there are no incremental transaction costs for UCT2 or EWTLP. The Proposed Transaction is not a consolidation of two or more entities so there are no anticipated transition or ongoing costs.

### **2.2.5 Other**

The Applicant and EWTLP take this opportunity to reiterate the importance of the Proposed Transaction which will deliver key economic benefits to BLP such as the sharing in the net profits of the EWT Project through partner cash distributions in direct proportion to BLP's percentage of ownership. The Proposed Transaction is a key milestone and model for advancing Ontario's objectives of accommodation and reconciliation by offering BLP long-term economic opportunities as a partner in the EWT Project.

- All of which is respectfully submitted -

# **Appendix A**

January 4, 2025

**VIA E-MAIL**

Ms. Nancy Marconi  
Registrar  
**ONTARIO ENERGY BOARD**  
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Dear Ms. Marconi:

**Re: Acquisition By Hydro One Networks Inc. of Interest in the East-West Tie Transmission Line**

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We write as legal counsel to Hydro One Networks Inc. (HONI) in connection with a proposed transaction pursuant to which HONI will acquire an interest in the East-West Tie transmission line.

As further described below, HONI will acquire a ~48.24% limited partnership interest in East-West Tie Limited Partnership (EWTLP) and a 50% equity interest in Upper Canada Transmission, Inc. (UCT1). UCT1 is a holding corporation that is the majority shareholder of Upper Canada Transmission 2, Inc. (UCT2). UCT2 is a licenced Ontario electricity transmitter [Licence ET-2011-0222] and the general partner of EWTLP. EWTLP is the limited partnership through which the partners in East-West Tie hold their respective equity interests. The proposed transaction was announced by HONI by way of a news release on December 19, 2024.

HONI wishes to advise the Ontario Energy Board (OEB) of the proposed transaction and of HONI's conclusion as to the applicability of sections 81 and 86 of the *Ontario Energy Board Act, 1988 (OEB Act)* to the proposed transaction. Pursuant to the analysis set out below, HONI is of the view that these provisions do not apply to the proposed transaction.

The analysis has been shared with Enbridge Transmission Holdings Inc. (ETHI) and three affiliates of OMERS Infrastructure Management Inc. (collectively OMERS) as sellers of their respective interests in UCT1 and EWTLP. ETHI and OMERS (collectively the Sellers) concur with the analysis and have consented to the submission of this letter to the OEB. This letter is also being shared, concurrently with its submission to the OEB, with the other East-West Tie partners, NextEra Energy Canada LP (NextEra Energy) and Bamkushwada LP (BLP).

## **The Proposed Transaction**

On December 19, 2024, HONI entered into a purchase and sale agreement with the Sellers to acquire the equity interests held by them in the East-West Tie.

Attached is an organizational chart illustrating the current (pre-transaction) ownership structure through which the Sellers, NextEra Energy and BLP hold their respective interests in UCT1, UCT2 and EWTLP.

As noted above, UCT2 is the licenced Ontario electricity transmitter [Licence ET-2011-0222] for the East-West Tie, as general partner of EWTLP. EWTLP is the entity through which the sellers' economic interests in the East-West Tie are realized, directly by ETHI and through Borealis NB Holdings Inc. for OMERS.

The particular interests to be acquired by HONI are highlighted on the attached organizational chart. Through the proposed transaction HONI will acquire:<sup>1</sup>

1. The shares in UCT1 currently held by ETHI and the shares of Borealis EWT Inc., which in turn holds OMERS' shares in UCT1.

In the result, HONI will hold a 50% of the shares in UCT1, which in turn holds 96.5% of the shares in UCT2 (the balance being held by BLP). The common shares of UCT1 not directly or indirectly acquired by HONI will continue to be held by an affiliate of NextEra Energy. The common shares of UCT2 not held by UCT1 will continue to be held by BLP.

2. The EWTLP limited partnership interests of ETHI and the shares of Borealis NB Holdings Inc. which holds OMERS' EWTLP limited partnership interests.

In the result HONI will own a ~48.24% limited partnership interest in EWTLP. The limited partnership units of EWTLP not directly or indirectly acquired by HONI will continue to be held by an affiliate of NextEra Energy (as to approximately 48.24%) and BLP (as to approximately 3.5%).

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<sup>1</sup> For the sake of completeness, we note that HONI is also acquiring, in a similar manner to that in which it is acquiring its UCT1 common shares and EWTLP limited partnership units, common shares of OptionCo. OptionCo is a corporation held by the shareholders of UCT1 and is a financing vehicle intended to, in certain circumstances, provide financing to BLP in connection with the purchase by BLP of additional equity interests in the East-West Tie. The purchase and sale of the common shares of OptionCo is not material to the proposed transaction and is not relevant to the regulatory analysis.

## **Regulatory Analysis**

### **Change in Control of a Transmission System: *OEB Act* section 86**

The East-West Tie will continue to be owned by UCT2 in its capacity as general partner of EWTLP and as the licenced Ontario electricity transmitter, and the economic benefits of the East-West Tie will continue to flow through EWTLP to the partners thereof. The proposed transaction will not result in the sale, lease or other disposition of the East-West Tie, in whole or in part, or in amalgamation of UCT2 with any other corporation as contemplated by subsection 86(1) of the *OEB Act*.

The transmitter in our circumstance is UCT2. HONI will not be acquiring any voting securities of UCT2. As such, subsection 86(2)(a) of the *OEB Act* is not engaged by the proposed transaction.

Subsection 86(2)(b) of the *OEB Act* requires leave of the OEB for acquisition of control of a corporation that holds, directly or indirectly, more than 10% of the voting securities of a transmitter. Control is defined in the *OEB Act*<sup>2</sup>, by reference to the Ontario *Business Corporations Act*, as holding more than 50% of the voting securities of a corporation with such holdings being sufficient to elect a majority of the Board of Directors of the corporation.

HONI will be acquiring 50% of the shares of UCT1. While UCT1 is a corporation that holds more than 10% of the voting securities of a transmitter (UCT2), HONI will not be acquiring control of UCT1. This is because the 50% of the shares of UCT1 that HONI will be acquiring, directly (from ETHI) and indirectly (through acquisition of Borealis EWT Inc.), will not be sufficient for HONI to elect a majority of the Board of Directors of UCT1.

Furthermore, while HONI will acquire more than 10% of the limited partnership interests in EWTLP, the OEB has found that section 86 of the *OEB Act* does not apply to the acquisition of limited partnership interests.<sup>3</sup> That was the case even where the limited partnership was the transmission licence holder. In the present circumstances it is the general partner – UCT2 – that is the transmission licence holder responsible to the OEB. As explained above, HONI will not acquire any voting securities of UCT2 nor will it acquire control of any such voting securities.

Accordingly, subsection 86(2)(b) of the *OEB Act* is not engaged by the proposed transaction.

### **Acquisition of an Interest in a Transmission System by a Generator: *OEB Act* section 81.**

Section 81 of the *OEB Act* requires notice to the OEB if, *inter alia*, a generator or an affiliate of a generator proposes to acquire an interest in a transmission (or distribution) system. The purpose of such notice is to enable the OEB to consider whether to review the proposed acquisition to determine if it could have an adverse impact on the development and maintenance of a competitive market or

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<sup>2</sup> *OEB Act* paragraph 86(3)(b).

<sup>3</sup> EB-2013-0078/EB-2013-0079/EB-2013-0080, *Decision and Order*, November 28, 2013, page 5, bottom.

would be otherwise inconsistent with the objectives of the OEB or the purposes of the *Electricity Act, 1998 (Electricity Act)*.<sup>4</sup>

An affiliate of HONI, Hydro One Remote Communities Inc. (HORCI), owns diesel generation to provide electricity service to communities remote or formerly remote<sup>5</sup> from Ontario's transmission grid. HONI is thus an affiliate of a generator. As HONI will be acquiring interests in an electricity transmission system through the proposed transaction, we have considered the applicability of *OEB Act* section 81.

Section 6.0.2 of Ontario Regulation 161/99 (*Definitions and Exemptions*) provides that section 81 of the *OEB Act* does not apply to HORCI. We read this provision to direct that HORCI should not be considered "a generator" for the purposes of section 81 of the *OEB Act*.

This result is consistent with a number of previous OEB findings which have approved acquisitions by HONI or its parent company, Hydro One Inc., of transmission assets<sup>6</sup> or distribution assets<sup>7</sup>. In none of those instances did the OEB consider that a notice under section 81 was required.<sup>8</sup>

This result is also consistent with the *Electricity Act*, wherein HORCI is mandated as a subsidiary of Hydro One Inc. to operate generation facilities and distribution systems in and for the distribution of electricity within 21 isolated communities and 3 remote grid-connected communities in northern Ontario.<sup>9</sup> HORCI's generation operations must, and can only, service the remote communities defined by regulation, and cannot and do not compete in the Ontario generation market at large.

Accordingly, the *OEB Act* provisions regarding the acquisition of an interest in a transmission (or distribution) system by a generator or affiliate of a generator are not engaged by the proposed transaction.

## **Conclusion**

For the reasons discussed above, it is HONI's view that neither section 86 nor section 81 of the *OEB Act* apply to the proposed transaction.

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<sup>4</sup> *OEB Act* subsection 82(3).

<sup>5</sup> As a result of the Wataynikaneyap Transmission Project, a number of the remote communities served by HORCI have recently been connected to the Ontario transmission grid. In some of the connected communities, HORCI will continue to own and operate diesel generation as a backup power source.

<sup>6</sup> EB-2016-0050, Hydro One Inc. application for the acquisition of Great Lakes Power Transmission Inc.

<sup>7</sup> EB-2018-0242, HONI application for acquisition of Peterborough Distribution Inc.; EB-2018-0270, HONI application for acquisition of Orillia Power Distribution Corporation.

<sup>8</sup> The only time that section 81 was considered by the OEB in connection with a HONI acquisition was in respect of HONI's purchase of Woodstock Hydro Services Inc. (EB-2014-0213). In that instance, section 81 was considered not in respect of HORCI, but rather in respect of a microFIT contract held by Woodstock Hydro, and in that instance the OEB disposed of the matter without issuing a notice of review (EB-2014-0239).

<sup>9</sup> *Electricity Act, 1998*, s.48.1(1) and O. Reg. 199/02 (as amended by O. Reg 267/19).

***If the OEB is of the same view, it would greatly assist the parties to receive written acknowledgement of such on or before January 10, 2025.***

Under the purchase and sale agreement between the parties, in order to progress to closing of the proposed transaction, HONI will be obligated to prepare and file a full section 81 notice unless the OEB provides written confirmation that a section 81 notice is not required in respect of the proposed transaction. In light of the foregoing analysis, it is HONI's view that the expense and time required to prepare such a filing, and for the OEB to process such a filing, is not required and would be of no benefit to any party or to the public interest. In the interests of regulatory efficiency, and to enable the parties to keep to their preferred schedule for closing, we have filed this letter for the OEB's consideration.

We would greatly appreciate the OEB's timely attention to this request. If it would assist, we would be pleased to provide further information or discuss any of the foregoing.

Yours truly,

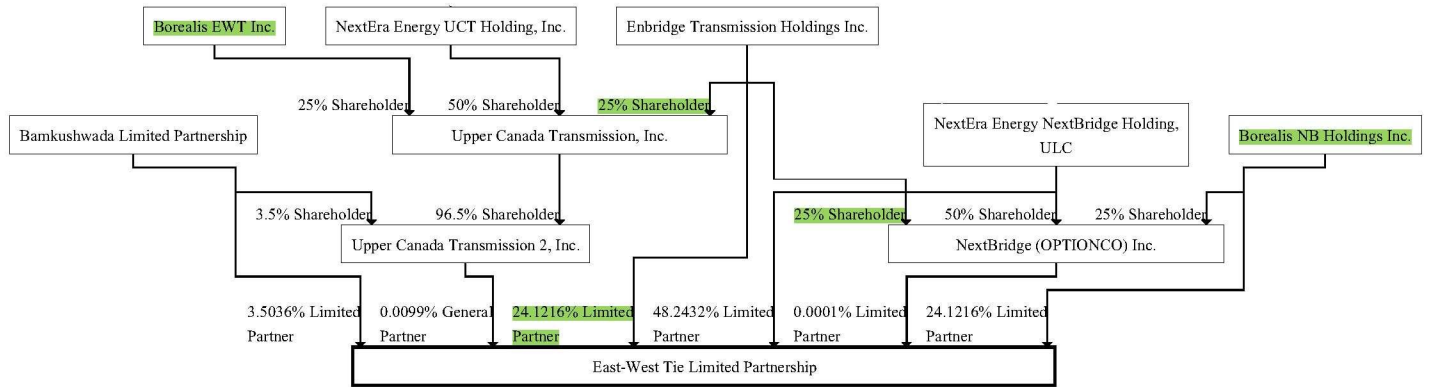


Ian A. Mondrow

Attachment

c: Kathleen Burke, Vice President, Regulatory Affairs, HONI  
Jonathan Myers, Counsel for ETHI and OMERS

65761550\13



**BY EMAIL:** [lan.mondrow@gowlingwlg.com](mailto:lan.mondrow@gowlingwlg.com)

January 10, 2025

Ian A. Mondrow  
Gowling WLG (Canada) LLP  
1 First Canadian Place  
100 King Street West  
Suite 1600,  
Toronto, On. M5X 1G5

Dear Mr. Mondrow:

**Re: Re: Acquisition by Hydro One Networks Inc. of Interest in the East-West Tie Transmission Line**

This is in response to your letter of January 4, 2025. OEB staff has considered, without independent verification, the facts set out in your letter and your subsequent emails of January 7 and January 9. On that basis, OEB staff concurs with your conclusion that the proposed transaction does not require notice under section 81 of the Ontario Energy Board Act, 1998 or an application under section 86 of the Act. OEB staff's views are not binding on a panel of Commissioners.

Yours truly,



Brian Hewson  
Vice President, Consumer Protection & Industry Performance

c.c. Kathleen Burke, Vice President - [Kathleen.Burke@HydroOne.com](mailto:Kathleen.Burke@HydroOne.com)  
Jonathan Myers, Counsel for ETHI & OMERS - [jmyers@torys.com](mailto:jmyers@torys.com)

# **Appendix B**

## CERTIFICATE OF EVIDENCE

### 1.1 ATTESTATION

1. With respect to an application by Bamkushwada Limited Partnership, I, SHARON OSTBERG, Secretary and Treasurer of Bamkushwada General Partner Inc., the general partner of Bamkushwada Limited Partnership, hereby certify that the evidence filed is accurate, consistent, and complete to the best of my knowledge. Bamkushwada General Partner Inc. has processes and internal controls in place for the preparation, review, verification and oversight of account balances being disposed.
2. With respect to an application by Bamkushwada Limited Partnership, I, SHARON OSTBERG, Secretary and Treasurer of Bamkushwada General Partner Inc., the general partner of Bamkushwada Limited Partnership, hereby certify that the application and any evidence filed in support of the application does not include any personal information.

Company Name:

Bamkushwada General Partner Inc.,  
in its capacity as general partner of  
**Bamkushwada Limited Partnership**

Certifier Details:

Name: Sharon Ostberg  
Position: Secretary and Treasurer  
Signature:

DocuSigned by:

*Sharon Ostberg*

3C9AB1C255D747E...

Date: December 4, 2025

# **Appendix C**



# Articles of Incorporation

Business Corporations Act

## 1. Corporation Name

UPPER CANADA TRANSMISSION 2, INC.

## 2. Registered Office Address

100 King Street West, 1 First Canadian Place, Suite 6200, Toronto, Ontario, Canada, M5X 1B8

## 3. Number of Directors

Minimum/Maximum

Min 1 / Max 10

## 4. The first director(s) is/are:

Full Name

ADAM RICKEL

Resident Canadian

Yes

Address for Service

100 King Street West, 1 First Canadian Place, Suite 6200,  
Toronto, Ontario, Canada, M5X 1B8

## 5. Restrictions, if any, on business the corporation may carry on or on powers the corporation may exercise. If none, enter "None":

None.

## 6. The classes and any maximum number of shares that the corporation is authorized to issue:

An unlimited number of Class A and Class B Common shares.

**7. Rights, privileges, restrictions and conditions (if any) attaching to each class of shares and directors' authority with respect to any class of shares which may be issued in series. If there is only one class of shares, enter "Not Applicable":**

CLASS A COMMON SHARES 1. Dividends The holders of the Class A Common Shares shall be entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, to receive and the Corporation shall pay thereon, as and when declared by the board of directors out of moneys of the Corporation properly applicable to the payment of dividends, non-cumulative dividends in such amount or in such form at such rate and on such class of shares as the directors may from time to time determine. For greater certainty, the directors may declare dividends on the Class A Common Shares without declaring dividends on the Class B Common Shares and vice versa. 2. Voting Rights The holders of the Class A Common Shares shall be entitled to receive notice of, to attend and to vote at all meetings of shareholders of the Corporation. At such meetings, the holders of the Class A Common Shares shall be entitled to one vote for each Class A Common Share held. 3. Parity on Liquidation, Dissolution or Winding-Up In the event of any liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, all of the property and assets of the Corporation available for distribution to the holders of the Class A Common Shares and the Class B Common Shares shall be paid or distributed equally, share for share, to the holders of the Class A Common Shares and the Class B Common Shares, respectively, without preference or distinction. 4. Class Votes The holders of Class A Common Shares shall not be entitled to vote separately or as a class and are not entitled to dissent in respect of a proposal to amend these articles pursuant to Sections 170(1)(a), (b) and (e) of the Act, or any successor provisions. CLASS B COMMON SHARES 1. Dividends The holders of Class B Common Shares shall be entitled, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, to receive and the Corporation shall pay thereon, as and when declared by the board of directors out of moneys of the Corporation properly applicable to the payment of dividends, non-cumulative dividends in such amount or in such form at such rate and on such class of shares as the directors may from time to time determine. For greater certainty, the directors may declare dividends on the Class B Common Shares without declaring dividends on the Class A Common Shares and vice versa. 2. Voting Rights The holders of the Class B Common Shares shall be entitled to receive notice of, to attend and to vote at all meetings of shareholders of the Corporation. At such meetings, the holders of the Class B Common Shares shall be entitled to one vote for each Class B Common Share held. 3. Parity on Liquidation, Dissolution or Winding-Up In the event of any liquidation, dissolution or winding-up of the Corporation or other distribution of assets of the Corporation among its shareholders for the purpose of winding up its affairs, subject to the rights, privileges, restrictions and conditions attaching to any other class of shares of the Corporation, all of the property and assets of the Corporation available for distribution to the holders of the Class B Common Shares and the Class A Common Shares shall be paid or distributed equally, share for share, to the holders of the Class B Common Shares and the Class A Common Shares, respectively, without preference or distinction. 4. Class Votes The holders of Class B Common Shares shall not be entitled to vote separately or as a class and are not entitled to dissent in respect of a proposal to amend these articles pursuant to Sections 170(1)(a), (b) and (e) of the Act, or any successor provisions.

**8. The issue, transfer or ownership of shares is/is not restricted and the restrictions (if any) are as follows. If none, enter "None":**

The shares in the capital of the Corporation shall be subject to the restriction on transfer of securities set out under Other provisions.

**9. Other provisions, if any. Enter other provisions, or if no other provisions enter "None":**

(a) Subject to any unanimous shareholder agreement with respect to the Corporation then in force, the securities in the capital of the Corporation, other than non-convertible debt securities, shall not be transferred without either the approval of the board of directors of the Corporation or the holder or holders of shares in the capital of the Corporation to which are attached more than 50% of the votes attaching to all voting shares in the capital of the Corporation then outstanding, to be evidenced, in either case, by a resolution of such directors or shareholders, with such approval being given prior to the time of the transfer of such securities. (b) Two or more classes of shares or two or more series within a class of shares may have the same rights, privileges, restrictions and conditions.

**10. The name(s) and address(es) of incorporator(s) are:**

**Full Name**

JOHN VALLEY

**Address for Service**

100 King Street West, 1 First Canadian Place, Toronto, Ontario,  
Canada, M5X 1B8

**The articles have been properly executed by the required person(s).**

*V. Quintanilla W.*

**Supporting Information - Nuans Report Information**

**Nuans Report Reference #**

121824037

**Nuans Report Date**

February 16, 2023

*V. Quintanilla W.*

# **Appendix D**



# **Electricity Transmission Licence**

## **ET-2011-0222**

**Upper Canada Transmission 2, Inc.,  
in its capacity as general partner of  
East-West Tie Limited Partnership**

**Valid Until**

**August 6, 2033**

---

**Brian Hewson**  
**Vice President, Consumer Protection & Industry Performance**  
**Ontario Energy Board**

**Date of Issuance: November 25, 2011**

**Effective Date: August 7, 2013**

**Date of Amendment: November 20, 2014**

**Date of Amendment: January 22, 2015**

**Date of Amendment: February 11, 2019**

**Transferred from Upper Canada Transmission, Inc. on March 9, 2023**

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

Commission de l'énergie de l'Ontario  
C.P. 2319  
2300, rue Yonge  
27e étage  
Toronto ON M4P 1E4

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Upper Canada Transmission 2, Inc.,  
in its capacity as general partner of East-West Tie Limited Partnership  
Electricity Transmission Licence ET-2011-0222

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SCHEDULE 3    Special Conditions ..... 9

## 1 Definitions

In this Licence:

“**Accounting Procedures Handbook**” means the handbook, approved by the Board which specifies the accounting records, accounting principles and accounting separation standards to be followed by the Licensee;

“**Act**” means the *Ontario Energy Board Act, 1998*, S.O. 1998, c. 15, Schedule B;

“**Affiliate Relationships Code for Electricity Distributors and Transmitters**” means the code, approved by the Board which, among other things, establishes the standards and conditions for the interaction between electricity distributors or transmitters and their respective affiliated companies;

“**Board**” means the Ontario Energy Board;

“**Electricity Act**” means the *Electricity Act, 1998*, S.O. 1998, c. 15, Schedule A;

“**Licensee**” means Upper Canada Transmission 2, Inc., in its capacity as general partner of East-West Tie Limited Partnership

“**Market Rules**” means the rules made under section 32 of the Electricity Act;

“**Performance Standards**” means the performance targets for the distribution and connection activities of the Licensee as established by the Board in accordance with section 83 of the Act;

“**Rate Order**” means an Order or Orders of the Board establishing rates the Licensee is permitted to charge;

“**transmission services**” means services related to the transmission of electricity and the services the Board has required transmitters to carry out for which a charge or rate has been established in the Rate Order;

“**Transmission System Code**” means the code approved by the Board and in effect at the relevant time, which, among other things, establishes the obligations of a transmitter with respect to the services and terms of service to be offered to customers and provides minimum technical operating standards of transmission systems;

“**wholesaler**” means a person that purchases electricity or ancillary services in the IESO administered markets or directly from a generator or, a person who sells electricity or ancillary services through the IESO-administered markets or directly to another person other than a consumer.

## **2 Interpretation**

- 2.1 In this Licence, words and phrases shall have the meaning ascribed to them in the Act or the Electricity Act. Words or phrases importing the singular shall include the plural and vice versa. Headings are for convenience only and shall not affect the interpretation of the Licence. Any reference to a document or a provision of a document includes an amendment or supplement to, or a replacement of, that document or that provision of that document. In the computation of time under this licence, where there is a reference to a number of days between two events, they shall be counted by excluding the day on which the first event happens and including the day on which the second event happens. Where the time for doing an act expires on a holiday, the act may be done on the next day that is not a holiday.

## **3 Authorization**

- 3.1 The Licensee is authorized, under Part V of the Act and subject to the terms and conditions set out in this Licence to own and operate a transmission system consisting of the facilities described in Schedule 1 of this Licence, including all associated transmission equipment.

## **4 Obligation to Comply with Legislation, Regulations and Market Rules**

- 4.1 The Licensee shall comply with all applicable provisions of the Act and the Electricity Act and regulations under these Acts, except where the Licensee has been exempted from such compliance by regulation.
- 4.2 The Licensee shall comply with all applicable Market Rules.

## **5 Obligation to Comply with Codes**

- 5.1 The Licensee shall at all times comply with the following Codes (collectively the “Codes”) approved by the Board, except where the Licensee has been specifically exempted from such compliance by the Board. Any exemptions granted to the Licensee are set out in Schedule 2 of this Licence. The following Codes apply to this Licence:
- a) the Affiliate Relationships Code for Electricity Distributors and Transmitters; and
  - b) the Transmission System Code.
- 5.2 The Licensee shall:
- a) make a copy of the Codes available for inspection by members of the public at its head office and regional offices during normal business hours; and
  - b) provide a copy of the Codes to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

## **6 Requirement to Enter into an Operating Agreement**

- 6.1 The Licensee shall enter into an agreement (“Operating Agreement”) with the IESO providing for the direction by the IESO of the operation of the Licensee’s transmission system. Following a request made by the IESO, the Licensee and the IESO shall enter into an Operating Agreement within a period of 90 business days, unless extended with leave of the Board. The Operating Agreement shall be filed with the Board within ten (10) business days of its completion.

- 6.2 Where there is a dispute that cannot be resolved between the parties with respect to any of the terms and conditions of the Operating Agreement, the IESO or the Licensee may apply to the Board to determine the matter.

## **7 Obligation to Provide Non-discriminatory Access**

- 7.1 The Licensee shall, upon the request of a consumer, generator, distributor or retailer, provide such consumer, generator, distributor or retailer, as the case may be, with access to the Licensee's transmission system and shall convey electricity on behalf of such consumer, generator, distributor or retailer in accordance with the terms of this Licence, the Transmission System Code and the Market Rules.

## **8 Obligation to Connect**

- 8.1 If a request is made for connection to the Licensee's transmission system or for a change in the capacity of an existing connection, the Licensee shall respond to the request within 30 business days.
- 8.2 The Licensee shall process connection requests in accordance with published connection procedures and participate with the customer in the IESO's Connection Assessment and approval process in accordance with the Market Rules, its Rate Order(s) and the Transmission System Code.
- 8.3 An offer of connection shall be consistent with the terms of this Licence, the Market Rules, the Rate Order, and the Transmission System Code.
- 8.4 The terms of such offer to connect shall be fair and reasonable.
- 8.5 The Licensee shall not refuse to make an offer to connect unless it is permitted to do so by the Act or any Codes, standards or rules to which the Licensee is obligated to comply with as a condition of this Licence.

## **9 Obligation to Maintain System Integrity**

- 9.1 The Licensee shall maintain its transmission system to the standards established in the Transmission System Code and Market Rules, and have regard to any other recognized industry operating or planning standards required by the Board.

## **10 Transmission Rates and Charges**

- 10.1 The Licensee shall not charge for the connection of customers or the transmission of electricity except in accordance with the Licensee's Rate Order(s) as approved by the Board and the Transmission System Code

## **11 Separation of Business Activities**

- 11.1 The Licensee shall keep financial records associated with transmitting electricity separate from its financial records associated with distributing electricity or other activities in accordance with the Accounting Procedures Handbook and as otherwise required by the Board.

## **12 Expansion of Transmission System**

- 12.1 The Licensee shall not construct, expand or reinforce an electricity transmission system or make an interconnection except in accordance with the Act and Regulations, the Transmission System Code and the Market Rules.

## **13 Expansion of Transmission System Further to Ministerial Directive**

- 13.1 The Licensee shall develop, seek approvals in respect of, and proceed with immediacy to construct, expand or reinforce the electricity transmission network in the area between Wawa and Thunder Bay composed of the high-voltage circuits connecting Wawa TS and Lakehead TS.
- 13.2 For greater certainty, paragraph 13.1 in no way limits the obligation of the Licensee to obtain all necessary approvals for the transmission project referred to in that paragraph.
- 13.3 Without limiting the generality of paragraph 14.1, the Licensee shall maintain records of and provide to the Board, in the manner and form determined by the Board, such information as the Board may from time to time require in relation to the transmission project referred to in paragraph 13.1.
- 13.4 The Licensee shall maintain records of and provide to the IESO, in the manner and form determined by the IESO, such information as the IESO may from time to time require in relation to the progress, timeliness, and cost-effectiveness of the construction, expansion or reinforcement activities pertaining to the transmission project referred to in paragraph 13.1 until such date as that project comes into service.

## **14 Provision of Information to the Board**

- 14.1 The Licensee shall maintain records of and provide, in the manner and form determined by the Board, such information as the Board may require from time to time.
- 14.2 Without limiting the generality of paragraph 14.1, the Licensee shall notify the Board of any material change in circumstances that adversely affects or is likely to adversely affect the business, operations or assets of the Licensee as soon as practicable, but in any event no more than twenty (20) business days past the date upon which such change occurs.

## **15 Restrictions on Provision of Information**

- 15.1 The Licensee shall not use information regarding a consumer, retailer, wholesaler or generator, obtained for one purpose for any other purpose without the written consent of the consumer, retailer, wholesaler or generator.
- 15.2 The Licensee shall not disclose information regarding a consumer, retailer, wholesaler or generator to any other party without the written consent of the consumer, retailer, wholesaler or generator, except where such information is required to be disclosed:

- a) to comply with any legislative or regulatory requirements, including the conditions of this Licence;
- b) for billing, settlement or market operations purposes;
- c) for law enforcement purposes; or
- d) to a debt collection agency for the processing of past due accounts of the consumer, retailer, wholesaler or generator.

15.3 Information regarding consumers, retailers, wholesalers or generators may be disclosed where the information has been sufficiently aggregated such that their particular information cannot reasonably be identified.

15.4 The Licensee shall inform consumers, retailers, wholesalers and generators of the conditions under which their information may be released to a third party without their consent.

15.5 If the Licensee discloses information under this section, the Licensee shall ensure that the information is not be used for any other purpose except the purpose for which it was disclosed.

## **16 Term of Licence**

16.1 This Licence shall take effect on August 7, 2013 and expire on August 6, 2033. The term of this Licence may be extended by the Board.

## **17 Transfer of Licence**

17.1 In accordance with subsection 18(2) of the Act, this Licence is not transferable or assignable without leave of the Board.

## **18 Amendment of Licence**

18.1 The Board may amend this Licence in accordance with section 74 of the Act or section 38 of the Electricity Act.

## **19 Fees and Assessments**

19.1 The Licensee shall pay all fees charged and amounts assessed by the Board.

## **20 Communication**

20.1 The Licensee shall designate a person that will act as a primary contact with the Board on matters related to this Licence. The Licensee shall notify the Board promptly should the contact details change.

20.2 All official communication relating to this Licence shall be in writing.

20.3 All written communication is to be regarded as having been given by the sender and received by the addressee:

- a) when delivered in person to the addressee by hand, by registered mail or by courier;

- b) ten (10) business days after the date of posting if the communication is sent by regular mail; and
- c) when received by facsimile transmission by the addressee, according to the sender's transmission report.

## **21 Copies of the Licence**

21.1 The Licensee shall:

- a) make a copy of this Licence available for inspection by members of the public at its head office and regional offices during normal business hours; and
- b) provide a copy of this Licence to any person who requests it. The Licensee may impose a fair and reasonable charge for the cost of providing copies.

## **SCHEDULE 1 Specification of Transmission Facilities**

This Schedule specifies the facilities over which the Licensee is authorized to transmit electricity in accordance with paragraph 3 of this Licence.

1. A 450 km (approx.) 230 kV double circuit transmission line running from Lakehead TS in Thunder Bay to Wawa TS in two segments [Lakehead TS to Marathon TS and Marathon TS to Wawa TS]. Each transmission line has a continuous thermal rating of 465 MVA and an emergency thermal rating of 600 MVA.

**SCHEDULE 2 List of Code Exemptions**

This Schedule specifies any specific Code requirements from which the licensee has been exempted.

**SCHEDULE 3 Special Conditions**

1. The Licensee is permitted to use United States Generally Accepted Accounting Principles for regulatory purposes, including regulatory accounting, regulatory filing and rate-setting applications.

# **Appendix E**

## Declaration of an Ontario Limited Partnership

Limited Partnerships Act

## Déclaration d'une société en commandite de l'Ontario

Loi sur les sociétés en commandite

### EAST-WEST TIE LIMITED PARTNERSHIP

Firm Name / Raison sociale

220955777

Business Identification Number / Numéro d'identification d'entreprise

This is to certify that the above named limited partnership declaration has been filed under the laws of the Province of Ontario.

La présente vise à attester que la déclaration de la raison sociale de la société en commandite citée ci-dessus a été déposée conformément aux règles de droit de la province de l'Ontario.

Declaration Date: September 14, 2012

Date de déclaration: 14 septembre 2012

Expiry Date: September 11, 2027

Date d'expiration: 11 septembre 2027

*V. Quintanilla W.*

Registrar / Registrateur

Limited Partnerships Act / Loi sur les sociétés en commandite

This certificate is not complete without the Declaration Information.

Certified a true copy of the record of the Ministry of Public and Business Service Delivery.

*V. Quintanilla W.*

Director/Registrar



Le présent certificat n'est pas complet sans les renseignements afférents à la déclaration.

Copie certifiée conforme du dossier du ministère des Services au public et aux entreprises.

*V. Quintanilla W.*

Directeur ou registrateur



## Declaration Information

**Type of Filing:**

Declaration of Change to an Ontario Limited Partnership

**Firm Name:**

EAST-WEST TIE LIMITED PARTNERSHIP

**Business Identification Number (BIN):**

220955777

**Address of Principal Place of Business:**

2200 Yonge Street, 1712, Toronto, Ontario, Canada, M4S 2C6

**Activity (NAICS Code):**

2211 - Electric power generation, transmission and distribution

**Declaration Date:**

September 14, 2012

**Expiry Date:**

September 11, 2027

**Number of General Partners:**

1

**General Partner(s):**

Name: UPPER CANADA TRANSMISSION, INC., OCN: 1847898, Address for Service: 44 Chipman Hill, 1000, Saint John, New Brunswick, Canada, E2L 2A9

# **Appendix F**

## SHARE SUBSCRIPTION

**TO: UPPER CANADA TRANSMISSION 2, INC. (the “Corporation”)**

**AND TO: The Board of Directors thereof**

The undersigned subscribes for and agrees to purchase [●] Class A Common shares in the capital of the Corporation (the “**Shares**”) for an aggregate purchase price of \$[●], payable in full on the date hereof pursuant to the terms of the Shareholders Agreement of the Corporation dated May 2, 2023, as amended by amendment No. 1 to Shareholders Agreement dated September 30, 2024 (collectively, the “**Shareholder Agreement**”).

The undersigned covenants that the undersigned will not transfer ownership of, or any beneficial interest in, the Shares except in accordance with the restrictions on the transfer of securities set out in the Shareholder Agreement.

The undersigned acknowledges that the issuance of the Shares is conditional on the availability of an exemption from the prospectus requirements of Applicable Securities Laws. As used herein, “**Applicable Securities Laws**” means any and all securities laws including, statutes, rules, regulations, by-laws, policies, guidelines, orders, decisions, rulings and awards, applicable in the Province of Ontario. The undersigned further acknowledges that: (i) the Shares are subject to resale restrictions under Applicable Securities Laws; and (ii) a further exemption from the prospectus requirements of Applicable Securities Laws will be needed by the undersigned in order to sell the Shares.

The undersigned hereby represents and warrants that:

- (a) it has the capacity and authority to execute this Subscription and perform its obligations under this Subscription and the Shareholder Agreement;
- (b) it has its principal place of business in Ontario;
- (c) it is purchasing the Shares as principal; and
- (d) it is a purchaser described in s.2.4(2.1) (private issuer) of National Instrument 45-106 - *Prospectus Exemptions*.

In consideration of the Corporation accepting this Share Subscription and conditional thereon, the undersigned hereby agrees to execute and deliver, from time to time, such certificates and other documentation as the Corporation may reasonably request to determine the availability of exemptions from the prospectus requirements of Applicable Securities Laws in connection with the issuance or transfer of the Shares or other securities of the Corporation.

The undersigned requests that the Shares be issued forthwith and that a certificate for the Shares be issued to the undersigned.

DATED May 2, 2023

***[Signature page follows]***

**BAMKUSHWADA LIMITED PARTNERSHIP,  
by its general partner, BAMKUSHWADA  
GENERAL PARTNER INC.**

**By:** \_\_\_\_\_  
**Name:**  
**Title:**

## UNIT SUBSCRIPTION

**TO: EAST-WEST TIE LIMITED PARTNERSHIP (the “Partnership”)**

**AND TO: UPPER CANADA TRANSMISSION 2, INC., the general partner of the Partnership (the “General Partner”)**

The undersigned subscribes for and agrees to purchase [●] Class A limited partnership units of the Partnership (the “Units”) for an aggregate subscription price equal to \$[●], payable in full on the date hereof pursuant to the terms of the Fourth Amended and Restated Limited Partnership Agreement of the Partnership dated May 2, 2023 (the “Partnership Agreement”).

The undersigned covenants that the undersigned will not transfer ownership of, or any beneficial interest in, the Units except in accordance with the restrictions on the transfer of units set out in the Partnership Agreement, as amended from time to time.

The undersigned acknowledges that the issuance of the Units is conditional on the availability of an exemption from the prospectus requirements of Applicable Securities Laws. As used herein, “Applicable Securities Laws” means any and all securities laws including, statutes, rules, regulations, by-laws, policies, guidelines, orders, decisions, rulings and awards, applicable in the Province of Ontario. The undersigned further acknowledges that: (i) the Units are subject to resale restrictions under Applicable Securities Laws; and (ii) a further exemption from the prospectus requirements of Applicable Securities Laws will be needed by the undersigned in order to sell the Units.

The undersigned hereby represents and warrants that:

- (a) it has the capacity and authority to execute this Subscription and perform its obligations under this Subscription and the Partnership Agreement;
- (b) it has its principal place of business in Ontario;
- (c) it is purchasing the Units as principal; and
- (d) it is a purchaser described in s.2.4(2.1) (private issuer) of National Instrument 45-106 - *Prospectus Exemptions*.

In consideration of the General Partner accepting this Unit Subscription and conditional thereon, the undersigned hereby agrees to execute and deliver, from time to time, such certificates and other documentation as the General Partner may reasonably request to determine the availability of exemptions from the prospectus requirements of Applicable Securities Laws in connection with the issuance or transfer of the Units or other securities of the Partnership.

The undersigned requests that the Units be issued forthwith and that a certificate for the Units be issued to the undersigned.

DATED December \_\_\_\_, 2025

***[Signature page follows]***

**BAMKUSHWADA LIMITED PARTNERSHIP, by  
its general partner, BAMKUSHWADA  
GENERAL PARTNER INC.**

**By:**

\_\_\_\_\_

**Name:**

**Title:**

# Appendix G

## **CORPORATE STRUCTURE**

### **Overview of the Utility and Description of Partnership**

1. The Applicant, UCT operating as NextBridge, is a New Brunswick corporation established for the purpose of developing, owning, and operating transmission facilities in Ontario known as the East-West Tie line in its capacity as the general partner, acting for and on behalf of the limited partnership, NextBridge Infrastructure LP.
2. On August 7, 2013, UCT was designated as the electricity transmitter to undertake development work for a new electricity transmission line running between just northeast of Thunder Bay to Wawa, Ontario (Docket No. EB-2011-0140). On January 30, 2019, the Minister of Energy, Northern Development and Mines, issued through Order in Council 52/2019 a directive to the OEB to grant the Leave to Construct (“**LTC**”) the East-West Tie line to NextBridge. On February 11, 2019, the OEB granted the leave to construct the East-West Tie line to NextBridge, as well as an amended NextBridge Transmission Licence to require NextBridge to construct, expand or reinforce the East-West Tie line. The East-West Tie line consists of approximately 450 km of new double circuit 230 kV overhead electricity transmission line on a new ROW between Thunder Bay to Wawa in northwestern Ontario.

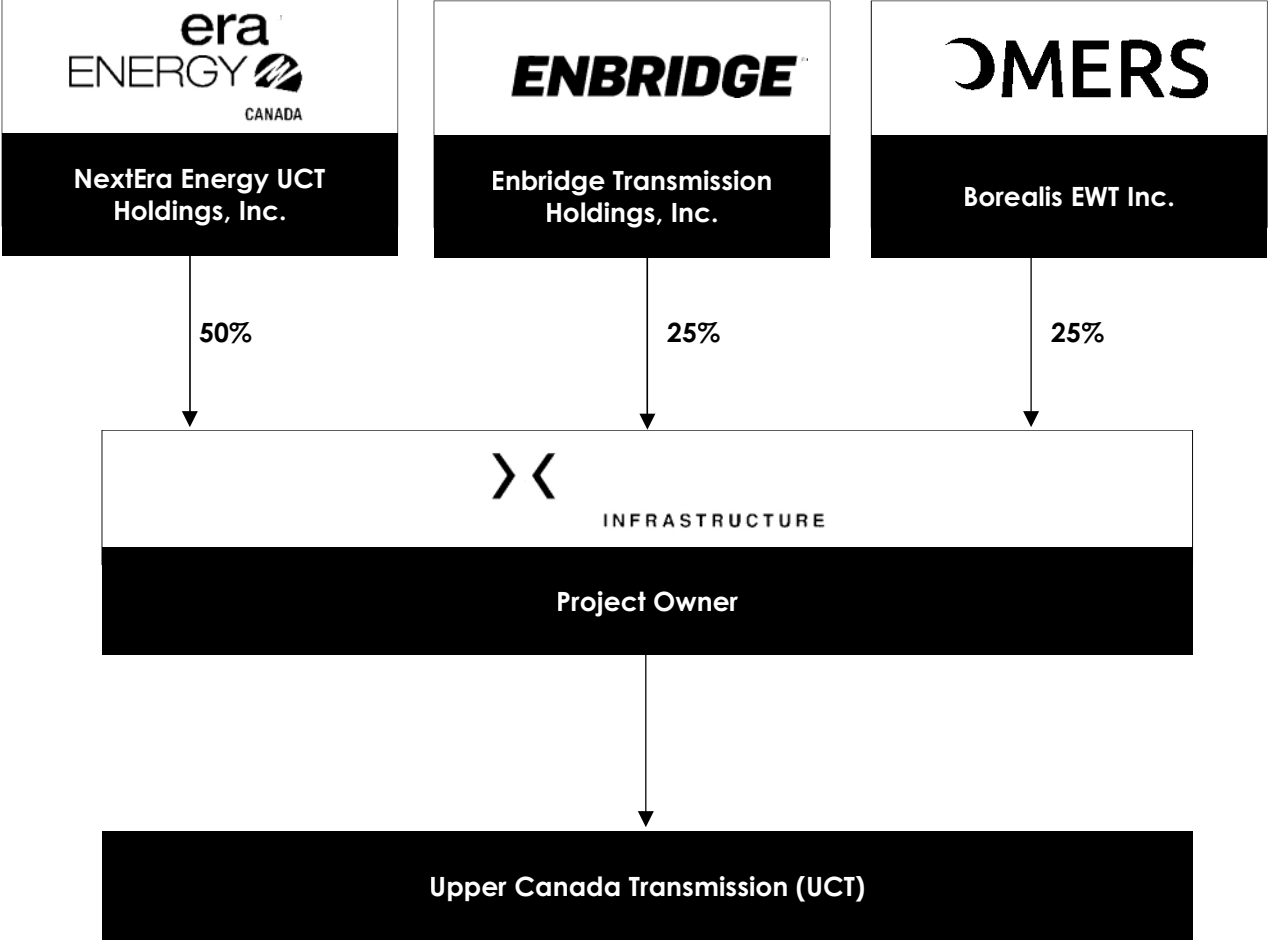
### **NextBridge’s Role as General Partner and Identity of the Limited Partners**

3. NextBridge is currently comprised of three limited partners and one general partner. The limited partners are: (A) NextEra Energy NextBridge Holding, ULC, a British Columbia unlimited liability company; (B) Enbridge Inc., a Canadian corporation and (C) Borealis NB Holdings Inc., an Ontario corporation. NextEra, Enbridge, and OMERS hold 50%, 25% and 25% of NextBridge’s issued and outstanding limited partnership units respectively. The general partner of NextBridge is UCT, a New Brunswick corporation. UCT has three shareholders: (A) NextEra Energy UCT Holding, Inc. (“**NextEra Shareholder**”), a New

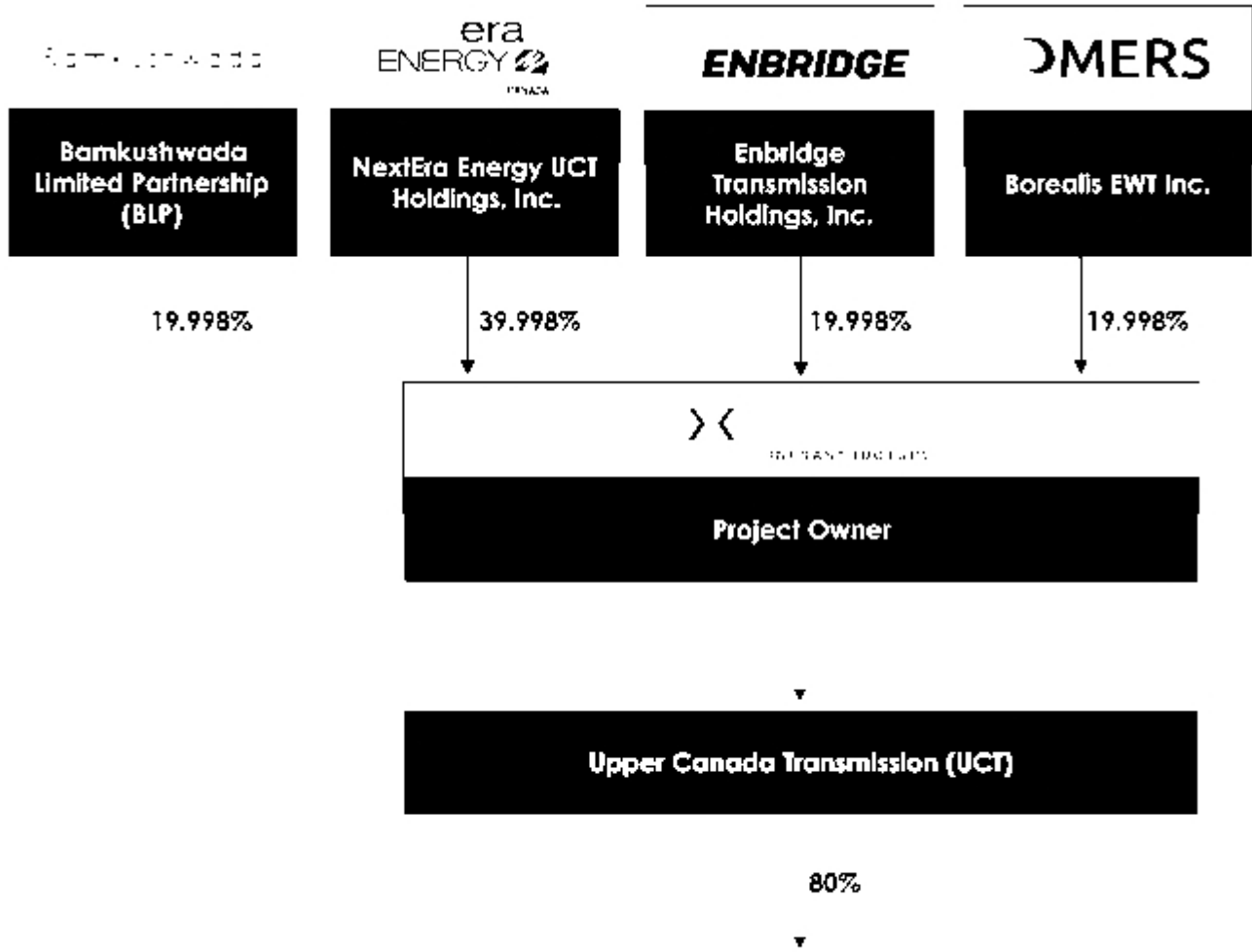
Brunswick corporation; (B) Enbridge Transmission Holdings Inc. (“**Enbridge Shareholder**”), a Canadian corporation and (C) Borealis EWT Inc. (“**OMERS Shareholder**”), an Ontario corporation. NextEra Shareholder, Enbridge Shareholder, and OMERS Shareholder hold 50%, 25% and 25% of UCT’s issued and outstanding shares respectively. At the time of commercial operations, NextBridge will be owned 40% by NextEra Energy NextBridge Holding ULC, 20% by Enbridge Transmission Holdings Inc., 20% by Borealis NB Holdings Inc., and 20% by Bamkushwada, LP a corporation made up of six First Nations.

4. Each of NextEra LP and NextEra Shareholder are indirect subsidiaries of NextEra, Energy, Inc., a Florida corporation that is listed on the New York Stock Exchange. Enbridge is the ultimate parent entity of the Enbridge group of companies, and is listed on the Toronto Stock Exchange and Enbridge Shareholder is an indirect subsidiary of Enbridge. Each of OMERS and OMERS Shareholder are indirect subsidiaries of OMERS Administration Corporation, the administrator of the OMERS defined benefit pension plan for over 500,000 active, deferred, and retired employees from nearly 1,000 municipalities, school boards, libraries, police and fire departments, and other local agencies in communities across the Province of Ontario.
  
5. The current corporate organization chart for the NextBridge ownership structure is presented next, followed by a corporate organization chart representing the ownership structure following the in-service date and once Bamkushwada, LP becomes a part owner. In order for Bamkushwada LP, a corporation made up of six First Nations, to obtain financing, lenders will need to know the revenue for the East-West Tie line. Additionally, Bamkushwada LP intends to apply to the Aboriginal Loan Guarantee Program through the Ontario Financing Authority. A requirement for eligibility for this program is “...regulatory approvals in the case of transmission projects”:  
<https://www.ofina.on.ca/algp/program/eligibility.htm>

**Current Corporate Shareholder Structure**



### Post COD Corporate Shareholder Structure



### **Licence and Ownership Upon Reaching Operational Status**

6. UCT holds Board licence number ET-2011-0222. Under the licence, UCT is authorized to own and operate a transmission system consisting of the facilities described in Schedule 1 of the license, which consists of an approximately 450 km of 230 kV double circuit transmission line that runs from the Lakehead TS to the Wawa TS, with the understanding that the East-West Tie line interconnects through dead-ends outside of the Lakehead TS, Marathon TS, and Wawa TS. The licence also authorizes UCT to transmit electricity over the East-West Tie line.
  
7. UTC holds the designation and the transmission license for the benefit of NextBridge and its limited partners. In connection with the anticipated economic participation by BLP in the East-West Tie line after commercial operation date, NextBridge expects to request the OEB's permission to transfer the transmission license from UCT to a newly established special purpose vehicle such that the transmission license and all or substantially all of the East-West Tie line assets are held by a single entity.

# Appendix H

ENERGY PROBE INTERROGATORY #10

INTERROGATORY

**Reference:** Exhibit A, Tab 6, Schedule 1, pages 3 and 4

- a) Please indicate which of the corporate entities shown in Exhibit A, Tab 6, Schedule 1, pages 3 and 4 have employees and which corporate entities do not have employees.
- b) Which corporate entities shown on pages 3 and 4 are electricity transmitters regulated by the OEB under the OEB Act?
- c) Do the electricity transmitters identified in the answer to part (b) have offices in Ontario? If the answer is yes, please provide the addresses of the offices, the number of employees who work there, and the title of the highest ranking employee who works out of each office. If the answer is no, please explain why not. If there are plans to open offices in Ontario, please describe those plans.

RESPONSE

- a) NextEra, Enbridge, and OMERs have employees. NextBridge, Upper Canada Transmission, and Upper Canada Transmission 2 do not have employees, all individuals who work on the East-West Tie line are employees of its partner entities. Bankushwada does not have any employees, all individuals who work on the East-West Tie line are employees of their respective First Nation community.
- b) Upper Canada Transmission.
- c) Yes. The office is located at 2200 Yonge St, Suite 1712, Toronto, Ontario, M4S 2C6. Three employees work out of this office. The highest-ranking employee has the title of President, NextEra Energy Transmission – Canada. This person is also the Project Director for the East-West Tie line.

ENERGY PROBE INTERROGATORY #11

INTERROGATORY

**Reference:** Exhibit A, Tab 6, Schedule 1, Page 5

**Preamble:** “In connection with the anticipated economic participation by BLP in the East-West Tie line after commercial operation date, NextBridge expects to request the OEB’s permission to transfer the transmission license from UCT to a newly established special purpose vehicle such that the transmission license and all or substantially all of the East-West Tie line assets are held by a single entity”

- a) Is the “newly established special purpose vehicle” the corporate entity identified as UCT2 on page 4?
- b) The sentence quoted in the Preamble implies that prior to the transfer the East-West Tie assets will be held by several corporate entities. Please file a table that shows the corporate entities in question, the assets held and their estimated value prior to the transfer.
- c) Please confirm there will be a period between the start of commercial operation and the transfer of assets where the rate base of UCT will consist of assets owned by different corporate entities.

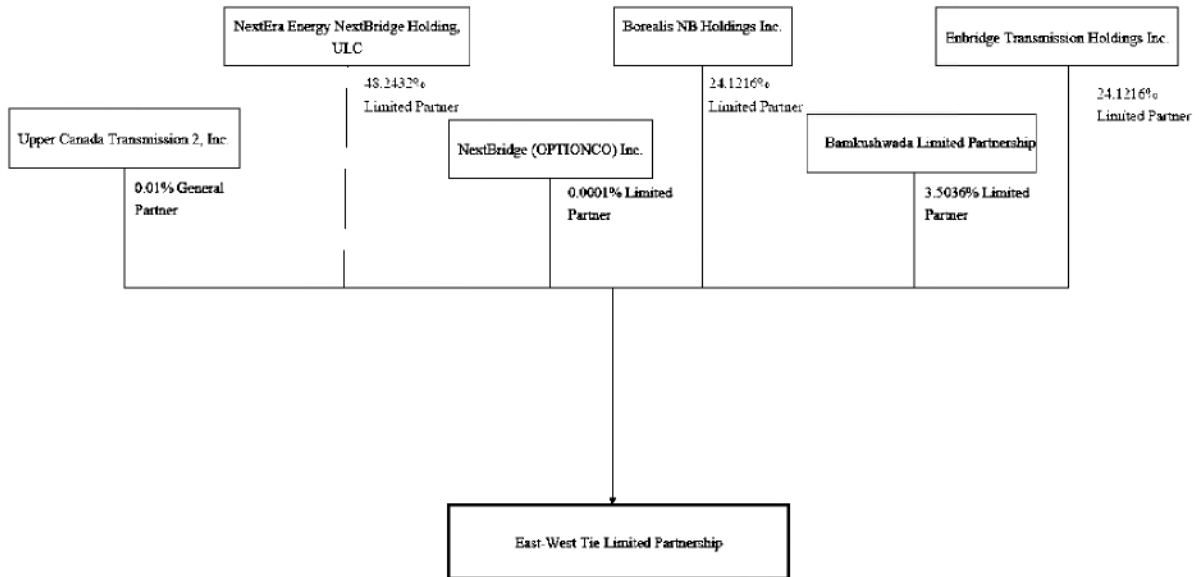
RESPONSE

- a) Yes.
- b) The reading of the preamble is incorrect. NextBridge Infrastructure, LP (NextBridge) will hold the East-West Tie line assets prior to and after the in-service date. At no point are the assets of NextBridge held by several corporate entities.
- c) Please see part b of this response. Not confirmed.

# **Appendix I**

## PARTNERSHIP ORGANIZATIONAL STRUCTURE

### EAST-WEST TIE LIMITED PARTNERSHIP as of October 10, 2023



# Appendix J

## OEB STAFF INTERROGATORY - 01

### **Reference:**

1. Exhibit A-Tab 2, page 1
2. Exhibit F - Tab 1-Schedule 1, page 2

### **Preamble:**

UCT 2 organizational structure is shown indicating that Bamkushwada Limited Partnership (BLP) as a 3.5036% Limited Partner as at October 10, 2023.

UCT 2 states that the original commercial agreements between BLP and UCT 2 allowed BLP to acquire up to a 20% equity interest in the project on, or shortly after, commercial operation date. Because BLP was unable to acquire a 20% interest in the project at that time, the parties worked during the ensuing months to renegotiate the original commercial agreements and negotiate new agreements, to allow BLP to acquire its full equity interest in tranches over a period of time.

### **Interrogatory:**

- a) Please confirm BLP's current equity interest in the project. If it is not currently 20%, please explain if and when BLP will have a 20% equity interest in the project.
- b) If BLP will not have a 20% equity interest in the project, please explain why not.
- c) Please provide the financial impact to the revenue requirements of the new commercial agreements compared to the late 2021 or early 2022 timing of the original commercial agreements.

### **Response:**

- a) BLP's current equity interest in the project is 3.5036%. BLP has the right to buy up to 20% and may do so in multiple tranches anytime between now and the Outside BLP Top-Up Contribution Date, which is defined in the partnership agreement as the later of May 2, 2028, or nine months from the effective date of the next OEB rate order (or 9 months from the start of the *next* Custom IR term). BLP may buy up to a 20% equity interest using funding sources it deems appropriate and is able to secure.
- b) As explained in the Application, "[b]ecause BLP was unable to acquire a 20% interest in the Project at [the commercial operation date], the parties worked diligently during the ensuing months to renegotiate the original commercial agreements and negotiate new agreements, to allow BLP to acquire its full equity interest in tranches over a period of time." (Exhibit F, Tab 1, page 2). As a result, BLP continues to have the ability to obtain a 20% equity interest in the Project at any point before the Outside BLP Top-Up Contribution Date (as such term is defined in the partnership agreement).

- c) The new commercial agreements reflecting a 3.5036% ownership by BLP would have resulted in a base revenue requirement of \$53.22 MM in EB-2020-0150 (compared to an actual approved amount of \$53.10 MM). As a result of the current lower than planned BLP ownership percent, UCT 2 is paying higher annual taxes in the amount of \$ 0.12 MM, which it is not seeking to recover from customers.

## OEB STAFF INTERROGATORY- 47

### **Reference:**

1. Exhibit F- Tab 1, page 1
2. EB-2020-0150
3. Exhibit A- Tab 2, page 1

### **Preamble:**

In its Custom IR Term application, UCT 2 made statements regarding the ownership structure following the in-service date of the line, “At the time of commercial operations, UCT 2 will be owned 40% by NextEra Energy NextBridge Holding ULC, 20% by Enbridge Transmission Holdings Inc., 20% by Borealis NB Holdings Inc., and 20% by Bamkushwada, LP a corporation made up of six First Nations.”

While UCT 2 originally contemplated a debt issuance in late 2021 or early 2022, the debt financing ultimately did not close until May 1, 2023. As discussed below, the additional time was needed to accommodate the equity buy-in of the project’s First Nations partners, BLP. The extra time required to complete this novel and complex transaction relates to the effectuation and implementation of a progressive ownership structure delivering economic benefits to the communities of the project’s Indigenous partners. In this regard, the transaction also serves as a key milestone and model for advancing Ontario’s objectives of accommodation and reconciliation by offering BLP long-term economic opportunities as a partner in the project.

Currently, BLP’s ownership stands at 3.5036%.

### **Interrogatory:**

- a) Please explain how BLP’s lower partnership equity percentage impacts the economic benefits and opportunities promised to the Indigenous community through the partnership.
- b) Please elaborate on the progressive ownership structure that is part of the transaction.
  - i) What is the nature of the economic benefits and how are they structured to ensure long-term economic opportunities for the communities involved?
- c) Please discuss how UCT 2 engaged with the Indigenous communities during this extended process. Were there consultations or negotiations that influenced the terms of the equity buy-in or the overall project?
- d) Please discuss how the delay in debt financing impacted the project’s financial viability. How was this addressed, and were there any adjustments to accommodate the delays?

- e) Please discuss the implications on the debt financing of BLP's lower equity percentage.
  - i) Please discuss the lenders' perception of risk after the determination of BLP's equity stake
- f) Please discuss whether there are plans or discussions in place to potentially increase BLP's equity stake in the future and how it might affect future debt financing strategies.

**Response:**

- a) BLP ultimately negotiated a 3.506% equity percentage for its initial equity stake in UCT 2, with a path to achieve 20% in additional tranches. To ensure that BLP retained the ability to buy up to a 20% equity interest as originally contemplated, the parties renegotiated the partnership agreements to extend the time for BLP to buy in to its full equity interest and allowed for BLP to do so in multiple tranches. UCT 2 has worked closely with BLP to accommodate current economic realities while preserving BLP's ability to take full advantage of the Project's economic benefits and opportunities over time through increased optionality and flexibility under the renegotiated partnership agreements.
- b) Please refer to UCT 2's Response to Staff IR 1-1(a) (Exhibit I-01-01). Under the agreed-to changes to the Partnership Agreement, BLP may progressively increase its ownership interest at its discretion and as it arranges third-party financing to do so. However, there are no changes to Project governance as successive tranches of equity are purchased.
  - (i) The key economic benefits delivered by the Project to BLP are the sharing in the net profits of the Project through partner cash distributions in direct proportion to BLP's percentage of ownership. UCT 2's expectation is that BLP will remain a full partner and grow its equity percentage in accordance with the partnership agreements. Additional economic benefits accrue to BLP through its ownership of Supercom, which provided services throughout the construction and reclamation of the Project, earning a 3% mark up for First Nations consultation and participation.
- c) UCT 2 engaged with the Indigenous communities, and specifically with BLP, during Project development and continuing throughout construction and post-COD to ensure that Indigenous communities impacted by the Project had the opportunity for long-term economic participation in the Project. These consultations and negotiations did in fact influence the terms of the equity buy-in. The original implementation agreement executed with BLP in 2017 during the Leave to Construct (LTC) application timeframe had contemplated a 20% equity buy-in at COD. However, as discussed in subpart (a) of this response, and in the response to Staff IR-01-01 (Exhibit I-01-01), BLP did not secure sufficient third-party financing to obtain the full 20% equity interest at COD. Further consultations and negotiations to accommodate the economic reality at the time, and to provide partner financing at a preferential rate to BLP, resulted in the May 2, 2023, partnership agreements to effect the initial buy-in of BLP and establish the terms for BLP to buy in up to 20%. Additionally, UCT 2 engaged with the Metis Nation of Ontario and other potentially impacted First Nation communities such as BZA, throughout Project development and construction.

UCT 2 met with BLP quarterly during construction and made written reports monthly via joint participation in the *Partnership Advisory Committee (PAC)* to ensure full consultation and communication of the Project status and impacts on communities. Typical agendas and issues discussed included: partnership and regulatory matters, environmental issues and Project approvals, Project cost updates, and construction updates.

- d) The delay in debt financing did not impact the Project's financial viability.
- e) The effective 3.506% BLP equity percentage did not impact the debt financing outcome. The same terms (rate and term, etc.) would have been secured regardless of whether BLP had had a higher equity percentage at the time of financing. Furthermore, BLP can increase its ownership per the terms of the partnership agreements up to its full 20% without affecting the current debt that has been placed. By ensuring the partnership agreements were in executable form at the time of the debt placement, UCT 2 ensured that the debt financing would not be impacted even if BLP's ownership changes as it buys more equity (e.g., the financing agreements will not need to be renegotiated with lenders).
  - i) The lenders' perception of risk was not impacted by the determination of BLP's equity stake. The bond market and lenders rely on the DBRS<sup>1</sup> credit rating agency report, which focuses on the credit of the Project as opposed to the individual partners who own the project. Because the lenders have a requirement to "Know their Client," it was important that the details of the partnership agreement be solidified before closing on the financing. The debt placement had a strong rating, rated A (low) by DBRS.
- f) As discussed in the preceding subparts of this response, BLP has the right to acquire up to 20% and may do so in multiple tranches. If BLP decides to acquire additional equity in the partnership, there will be no impact on future debt financing strategies, as the terms of the buy-in are detailed in the partnership agreements that were executed concurrent with the debt placement that took place on May 1, 2023. The next placement of debt to finance the additional rate base (that is the subject of the Application) is expected to utilize the same lenders, due diligence, and marketing materials that secured the initial financing.

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<sup>1</sup> DBRS Morningstar is a global credit rating agency, headquartered in Toronto, Ontario.

**VECC INTERROGATORY- 06**

**Reference:**

1. Exhibit F

**Preamble:**

“While UCT 2 originally contemplated a debt issuance in late 2021 or early 2022, the debt financing ultimately did not close until May 1, 2023. As discussed below, the additional time was needed to accommodate the equity buy-in of the Project’s First Nations partners, BLP. The extra time required to complete this novel and complex transaction relates to the effectuation and implementation of a progressive ownership structure delivering economic benefits to the communities of the Project’s Indigenous partners.”

**Interrogatory:**

- a) It is unclear to us why financing arrangements were delayed pending completion of the equity position of BLP whereas other critical aspects of the project, including its substantial completion and the decision to incur substantial incremental costs liabilities were able to proceed prior to completion of the ownership arrangement. Please clarify.
- b) Did UCT2 or its partners (e.g., Treasury Department of NextEra) complete a financing cost forecast based on a late 2021 or early 2022 date? If so please provide that forecast.

**Response:**

- a) Please refer to the response to Staff IR-47 (Exhibit I-01-47) for additional details on the timeline required to negotiate BLP’s initial equity percentage. To minimize risks to BLP’s partnership approval and to minimize costs, UCT 2 delayed the financing until such time that the partnership agreements to include BLP were in executable form. By their nature, bonds have a very punitive prepay penalty. If UCT 2 had financed the project, and then brought BLP into the partnership later, bondholder approval would have been required, which would create a risk that the bonds would have needed to be prepaid with a large penalty and then a new debt facility sought. Thus, UCT 2 worked towards a simultaneous close of the BLP buy-in and debt financing.
- b) UTC 2 completed a financing cost forecast in early 2022 based on March 2022 rates. See table below for estimated return.

<b>March 2022</b>				
<b>Particulars</b>	<b>Amount (\$ M)</b>	<b>Capital Structure</b>	<b>Estimated Cost Rate (%) <sup>(1)</sup></b>	<b>Estimated Return (\$ M)</b>
Long-term debt	\$431.4	56%	4.0%	\$17.1
Short-term debt	\$30.8	4%	1.8%	\$0.6
<b>Total</b>	<b>\$770.4</b>	<b>60%</b>	<b>3.8%</b>	<b>\$17.7</b>

*(1) See Response to Staff IR-49(d). Does not include impacts from bank fees as estimate was unknown at the time of forecast.*