



**EB-2013-0439**

**IN THE MATTER OF** the *Ontario Energy Board Act, 1998*, S.O.1998, c.15, Schedule B;

**AND IN THE MATTER OF** an application by K2 Wind Ontario Limited Partnership for an electricity generation licence.

By delegation, before: David Richmond

## **DECISION AND ORDER**

**March 20, 2014**

K2 Wind Ontario Limited Partnership (“K2 Wind”) filed an application on December 19, 2013 with the Ontario Energy Board under section 60 of the *Ontario Energy Board Act, 1998* (the “Act”) for an electricity generation licence.

The Board’s Notice of Application and Written Hearing (the “Notice”) for an electricity generation licence was posted on January 14, 2014. The Board received a submission in response to the Notice from a group of residents from the Township of Ashfield-Colborne-Wawanosh (the “ACW Residents”) on February 4, 2014.

The ACW Residents submission is based on the three main criteria used by the Board to assess an application for an electricity generation licence: the applicant’s financial viability, technical capability and conduct.

The ACW Residents state that the wind industry is heavily subsidized and without such subsidies, companies like K2 Wind would not be able to maintain their facilities. In addition, the ACW Residents raise concerns with respect to delayed cost award payments by K2 Wind to the ACW Residents in accordance with the Board’s decision on cost awards in K2 Wind’s leave to construct proceeding (EB-2012-0458) and

delayed crop compensation payment to a tenant farmer on the site of the K2 Wind substation.

In addition, the ACW Residents allege that Capital Power Corporation, a partner in the K2 wind project, has been deficient in the operation of its wind project in the Township of Ashfield-Colborne-Wawanosh, the Kingsbridge 1 Wind Power project. In their submission, the ACW Residents point out several deficiencies in relation to the operation of the facility and state that these deficiencies foretell how the K2 facility will be operated. The ACW Residents also raise concerns in relation to the construction of Hydro One's Ashfield Switching Station.

K2 Wind filed its reply submission on February 11, 2014. In summary, K2 Wind states that its application amply demonstrates that it meets the Board's criteria for a licence to generate electricity and that the allegations of the ACW Residents to the contrary are unsupported and unfounded.

Despite the record of the proceeding having closed on February 11, 2014, in accordance with the Board's Notice, the ACW Residents filed further comments on February 24, 2014 and March 3, 2014. K2 Wind replied to the comments filed on February 24, 2014 on February 27, 2014.

In the exercise of its licensing function, the Board's practice is to review a licence application based on the Applicant's ability to own and/or operate a generation facility and to participate reliably in Ontario's energy market. The Board uses the three criteria as noted by the ACW Residents in their submission. Having reviewed the material filed in the application, I am satisfied with K2 Wind's financial viability, technical capability and conduct.

In accordance with the Notice, the filing of the reply submission by K2 Wind on February 11, 2014 closed the record of this proceeding. I therefore find no reason to give any weight to the subsequent comments filed by the ACW Residents on February 24, 2014 and March 3, 2014.

After considering the application, it has been found to be in the public interest to issue the electricity generation licence under Part V of the Act.

**IT IS THEREFORE ORDERED THAT:**

The application for an electricity generation licence is granted, on such conditions as are contained in the attached licence.

**DATED** at Toronto, March 20, 2014

ONTARIO ENERGY BOARD

*Original signed by*

David Richmond  
Manager, Facilities & Infrastructure