

Waiver Application (General Process)

Submit this form by registered mail, courier or fax to the following address:

The IMO
655 Bay Street, Suite 410
P.O. Box 1
Toronto, ON M5G 2K4

Fax No.: (905) 212-3498

Subject: Waiver Application (General Process)

All information submitted in this process will be used by the IMO solely in support of its obligations under the *Electricity Act, 1998*, the *Ontario Energy Board Act, 1998*, the *Market Rules* and associated policies, standards and procedures and its licence. All information submitted will be assigned the appropriate confidentiality level upon receipt.

PART 1 – WAIVER APPLICANT - GENERAL INFORMATION

Organization Name: <u>FIVE NATIONS ENERGY INC</u>		Exemption # <u>01-1155</u>
Market Participant/Metering Service Provider No. (if applicable): _____	IMO Help Centre (IHC) Ticket No. (if applicable): _____	
Address: <u>PO Box 370</u>		
City/Town: <u>Moose Factory</u>	Province/State: <u>On</u>	
Postal/Zip Code: <u>P0L 1W0</u>	Country: <u>Canada</u>	
Fax No.: <u>705 268-0071</u>		
Email Address: <u>cmacdonald@fivenations.ca</u>		
Main Contact		
Name: <u>Mr Cec MacDonald, General Manager</u>		
Telephone No.: <u>705 268-0056</u>	Fax No.: <u>705 268-0071</u>	
E-mail Address: <u>cmacdonald@fivenations.ca</u>		
Web Site (URL): <u>www.fivenations.ca</u>		

PART 1 – GENERAL INFORMATION (CONTINUED)

Alternative Contact

Name: Mr Ed Chilton, Treasurer and Project Coordinator

Telephone No.: 519 529-3632

Fax No.: 519 529-1103

E-mail Address: echilton@hurontel.on.ca

PART 2 – INFORMATION ABOUT THE WAIVER APPLICATION

1. This waiver form is for the general waiver process. Are you also requesting an interim waiver?

☐ Yes

☒ No

2. Is this waiver application being submitted for existing facilities or equipment pursuant to Section 14.12 of Chapter 1 of the *Market Rules*?

☒ Yes

☐ No

3. Please specify the duration for which you would like the waiver granted in days, months or years:
permanent

4. Are you requesting priority sequencing of your waiver application?

☒ Yes

☐ No

Please cite the Market Rules Section Number(s) to which this Waiver Application relates:

Please cite policy, standard or procedure to which this Waiver Application relates (including section number(s)):

IeMo - FNEI Operating Agreement

Sect 7.1.2 :Under Freq. Load Shedding

Sect 7.1.3 Voltage Reduction Fac.

PART 3 – SUBMISSIONS IN SUPPORT OF WAIVER APPLICATION

Attach a waiver applicant's plan detailing:

- The manner and time within which the waiver applicant will become compliant with the obligation or standard to which the waiver application relates;
- The manner in which the waiver applicant proposes to modify its equipment or facilities or otherwise conduct its operations during the period of time for which the waiver would be in effect; and
- The waiver applicant's estimate of any costs that may be imposed on the IMO or on other Market Participants, if the waiver were granted;

The following submissions must be included, either as attachments or in the space provided below:

- The waiver applicant's assessment as to whether or not the waiver, if granted would:
 - ◆ Materially threaten the ability of the IMO to direct the operations and maintain the reliability of the IMO-controlled grid;
 - ◆ Materially threaten the ability of the IMO to ensure non-discriminatory access to the IMO-controlled grid;
 - ◆ Unless the waiver applicant is the IMO, materially affect the ability of the IMO to operate the IMO-administered markets in an efficient, competitive and reliable manner;
 - ◆ Provide the waiver applicant with an undue preference within the IMO-administered markets;
- An assessment of the costs or delay to the waiver applicant of complying with the obligation or standard to which the waiver application relates;
- Where the waiver applicant is the IMO, identification of the benefit to Market Participants of compliance with the obligation or standard to which the waiver application relates relative to the financial and other resources required to achieve compliance within such deadlines as may be applicable;
- Where the waiver applicant is the IMO, the manner in which it proposes to operate the IMO-administered markets or direct the operations and maintain the reliability of the IMO-controlled grid during the period in which the waiver would be in effect;
- Identification as to whether the facility or equipment that is the subject-matter of the waiver application:
 - ◆ Was in service or was returned to service on the date on which the obligation or standard to which the waiver application relates came into force;
 - ◆ Was ordered by the waiver applicant on or prior to the date on which the obligation or standard to which the waiver application relates came into force; or
 - ◆ Was in the process of construction on or prior to the date on which the obligation or standard to which the waiver application relates came into force.

Submission Information:

In 1998/99, Five Nations Energy Inc. initiated a project to provide a grid connection to 3 communities on the west coast of James Bay and allow them eliminate their reliance on more expensive and environmentally less efficient diesel powered generation. Five Nations Energy Inc. will own and operate 191 km (114km in 2001 and an added 77 km in 2002) of HV line (nominal voltage 138 Kv) 2 x 138 Kv /8.32 kv stations , and in 2002 , 1 x 138 kv / 4.16 kv station. Each station is 6 mva with anticipated peak loads of <3 mva each , supplying the communities of Fort Albany, Kashechewan and Attawapiskat thru their respective new local distribution companies. The line will be connected at Moosonee to the provincial grid. Hydro One will be assuming ownership of the new Moosonee Switching Station and eventually 79 km of the new line. The total of new line is 270 km.

PART 3 – SUBMISSION IN SUPPORT OF WAIVER APPLICATION (CONTINUED)

The new circuit ,M3K, has a 138 kv circuit breaker at the Moosonee Switching Station to isolate the circuit from the Moosonee circuit C6R. A second 138 Kv breaker will be established north of Kashechewan DS once the Attawapiskat DS is operational. This breaker will isolate the M3K portion of the line from Kashechewan to Attawapiskat DS .

The facilities , as designed and installed are not capable of providing under frequency load shedding and voltage reduction s of 3% and 5%. The transformers are off load tap changers and there are shunt reactors at Moosonee SS ; Fort Albany DS and Attawapiskat DS .

Five Nations Energy Inc. seeks an exemption to the requirements of providing under frequency load shedding facilities and voltage reduction facilities as:

- there would be negligible impact by our facilities on the IMO controlled grid
- the remoteness of these facilities and the need to operate off load would not allow for the effective application of manually providing voltage reduction
- the operation of the needed shunt reactors is not compatible with voltage reduction facilities
- there is no frequency monitoring available or required
- the initial and forecasted community total load is negligible in its contribution to the system loads across Ontario

Compliance with the Sections 7.1.2 & 7.1.3 of the Operating Agreement would significantly impact the costs and schedule of the project. There would appear to be no impact on the IMO if the exemptions were approved.

In seeking these exemptions, Five Nations understands that such exemptions are at the discretion of the Independent Directors of the IeMO Board of Directors, and they may refuse to grant one or both exemptions ; or only on such terms and conditions that may not be acceptable to Five Nations Energy Inc.(FNEI)

If the exemeptions are granted, FNEI will comply with any terms and conditions imposed thereon by the Independent Directors.

PART 4 – SUMMARY OF SUBMISSIONS IN SUPPORT OF THE WAIVER APPLICATION

Please summarize the information provided in Part 3. This summary will be posted on the IMO public Web site.

Summary:

-In 1998/99, Five Nations Energy Inc. initiated a project to provide a grid connection to 3 communities on the west coast of James Bay and allow them eliminate their reliance on more expensive and environmentally less efficient diesel powered generation. Five Nations Energy Inc. will own and operate 191 km (114km in 2001 and an added 77 km in 2002) of HV line (nominal voltage 138 Kv) 2 x 138 Kv /8.32 kv stations , and in 2002 , 1 x 138 kv / 4.16 kv station. Each station is 6 mva with anticipated peak loads of <3 mva each , supplying the communities of Fort Albany, Kashechewan and Attawapiskat thru their respective new local distribution companies. The line will be connected at Moosonee to the provincial grid. Hydro One will be assuming ownership of the new Moosonee Switching Station and eventually 79 km of the new line.

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PART 5 – SUPPORTING DOCUMENTATION TO BE ATTACHED BY WAIVER APPLICANT

Please list below all supporting documents attached to this waiver application.

1. Waiver Applicant's Plan (must be attached)
- 2.
- 3.
- 4.
- 5.

PART 6 – CERTIFICATION

The undersigned hereby declares that the information contained in and submitted in support of this document is, to the best of the waiver applicant's knowledge, complete and accurate. By signature the waiver applicant agrees that information may be posted on the IMO public Web site in accordance with the provisions of *Market Manual 2: Market Administration – Part 2.2: Waiver Application and Assessment*.

Mr Ed Chilton _____

Name (Please Print)

Treasurer & Project Coordinator _____

Title

Signature

Date

PART 7 – FOR IMO USE ONLY

Received by: _____

Date Received: _____

Application Completion Date: _____

Waiver ID #: _____

Date Requested: _____