

December 5, 2018

BY E-MAIL AND COURIER

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

Attention: Board Secretary

Dear Sirs/Mesdames:

Electricity Generation Licence EG-2010-0318 (Transfer Request)

By way of this letter, we are applying to the Ontario Energy Board (the **"OEB"**), pursuant to subsection 18(2) of the Ontario Energy Board Act, 1998 (the **"OEB Act"**), for leave to transfer Electricity Generation Licence EG-2010-0318 from Zephyr Farms Limited (the **"Transferor"**) to Watford Wind LP (the **"Transferee"**). The Transferee is a wholly-owned indirect subsidiary of Capstone Infrastructure Corporation (**"Capstone"**).

The Transferor is the holder of Electricity Generation Licence EG-2010-0318 issued by the OEB on January 20, 2011, in respect of the Zephyr Wind Farm, located at 7550 LaSalle Line, Watford, Ontario (the **"Generation Facility"**).

The Generation Facility is being transferred by way of a Purchase and Sale Agreement dated December 3, 2018 (the **"Purchase Agreement"**), pursuant to which the Transferee will purchase all of the right, title and interest in the Generation Facility and all agreements, licenses, permits and other documents and instruments that are required to operate the Generation Facility in accordance with the terms of a Renewable Energy Standard Offer Program Contract with the Independent Electricity System Operator (**"IESO"**) dated June 5, 2008, as amended (the **"RESOP Contract"**).

Capstone is already an indirect owner of licensed electricity generators in Ontario, listed in Exhibit A. Capstone owns and operates approximately net 541 MW of installed generation facilities across 23 facilities in Canada, including wind hydro, solar, biomass and natural gas power plants. Please visit www.capstoneinfrastructure.com for more information. The Transferee is a newly formed entity which was established by Capstone in September 2018 to be the acquirer in respect of the Generation Facility.

The Transferor and Transferee are seeking the permission of the OEB to effect the transfer of the Licence from the Transferor to the Transferee contemporaneously with the transfer of the Generation Facility. Provided that leave of the OEB to transfer the Licence is granted as requested herein, the Transferor and Transferee would provide notice to the OEB of the completion of the transfer of the Licence on the same date as the Transferor and Transferee provide notice to the IESO confirming that the Generation Facility and RESOP Contract have been transferred from the Transferor to the Transferee.

Recognizing that the transfer of the Generation Facility cannot be completed without the Transferee holding an electricity generation licence, and the Licence cannot be transferred without leave of the OEB pursuant to subsection 18(2) of the OEB Act, we would appreciate the OEB's prompt attention to this request.

The new licensee will be Watford Wind LP, and the new licensee contact person for the OEB's records is:

Patrick Leitch, VP, Operations
Capstone Infrastructure Corporation
T: 416-649-1316
F: 416-649-1335
Email: pleitch@capstoneinfra.com

We would be happy to discuss any questions or concerns the OEB may have in regards to this request. Any questions or correspondence on this matter for the Transferor can be directed to Mr. Richard Wong (at rwong@osler.com; tel: 416-862-6666) and for the Transferee, to Mr. Greg Peterson (at gpeterson@capstoneinfra.com; tel: 416-649-1312).

Sincerely,



Patrick Leitch, VP, Operations
Watford Wind GP Corp.
In its capacity as general partner of
Watford Wind LP

I confirm Transferor's consent to the transfer described above.



Eileen Wheatman, Director and Vice-President
Zephyr Farms Limited

C: Richard Wong (Counsel to Transferor)

EXHIBIT A: Affiliated Licensed Generators

Generator Licence #	Licensee
EB-2004-0374	Cardinal Power of Canada, L.P.
EB-2014-0352	Chi-Wiikwedong LP
EB-2011-0074	CPOT Title Corp. on behalf of MPT Hydro LP
EB-2005-0264	Erie Shores Wind Farm Limited Partnership
EB-2016-0333	GHG Wind Development II LP(fmrly GHG ZEP Wind Corp.)
EB-2015-0361	GHG Wind Development LP
EB-2015-0359	Grey Highlands Clean Energy Development LP
EB-2016-0256	Helios Solar Star A-1 Partnership
EB-2013-0436	Sky Generation LP (SOP)
EB-2017-0235	SLS Wind Development II LP
EB-2016-0291	SLS Wind Development LP
EB-2016-0363	SR Wind Development II LP
EB-2016-0173	SR Wind Development LP