



Ontario
Energy
Board

Commission
de l'énergie
de l'Ontario

DECISION AND ORDER

EB-2023-0342

GREENFIRST FOREST PRODUCTS (QC) INC.

Application for an Electricity Generation Licence Amendment

EB-2023-0355

KAP PAPER INC.

Application for an Electricity Wholesaler Licence

EB-2023-0356

**GREENFIRST FOREST PRODUCTS
(ONTARIO) INC.**

Application for an Electricity Generation Licence

BY DELEGATION, BEFORE: Tracy Garner

Manager, Transmission Policy & Compliance

December 21, 2023

DECISION AND ORDER

On November 21, 2023, GreenFirst Forest Products (QC) Inc. (GreenFirst QC) filed an application with the Ontario Energy Board (OEB) pursuant to section 74 of the *Ontario Energy Board Act, 1998* (OEB Act), to amend Schedule 1 of its electricity generation licence, EG-2021-0210. On December 6, 2023, Kap Paper Inc. (Kap Paper) filed an application with the OEB pursuant to section 60 of the OEB Act for an electricity wholesaler licence. On December 6, 2023, GreenFirst Forest Products (Ontario) Inc. (GreenFirst Ontario) filed an application with the OEB, pursuant to section 60 of the OEB Act for an electricity generation licence. GreenFirst QC, Kap Paper and GreenFirst Ontario are all wholly owned subsidiaries of GreenFirst Forest Products Inc.

The OEB combined the applications into one proceeding, pursuant to section 21(5) of the OEB Act. This Decision and Order is being issued by the Delegated Authority without a hearing pursuant to section 6(4) of the OEB Act.

GreenFirst QC is currently licensed to own and operate the Chapleau Sawmill biomass generation facility located in Chapleau, Ontario (Chapleau facility). In its application, GreenFirst QC requested that Schedule 1 of its electricity generation licence be amended to remove the operation of the Chapleau facility. In its electricity generation licence application, GreenFirst Ontario requested authorization to operate the Chapleau facility. The applicants submitted that these requests are related to a corporate reorganization that is expected to close on January 1, 2024.

The issuance of an electricity generation licence to GreenFirst Ontario will not materially affect the operation of the Chapleau facility. GreenFirst Ontario has demonstrated that it will have the technical and financial capacity to operate it.

In addition, GreenFirst QC currently purchases electricity in the IESO-administered market for a papermill facility that it owns and operates in Kapuskasing, Ontario (Kapuskasing facility). The applicants submitted that following the corporate reorganization, the Kapuskasing facility will be owned and operated by Kap Paper. In its electricity wholesaler licence application, Kap Paper requested authorization to purchase electricity or ancillary services in the IESO-administered markets. Kap Paper provided the necessary technical and financial information to be licensed as an electricity wholesaler.

The OEB finds that it is in the public interest to grant the applications. However, as the corporate reorganization has not yet been completed, the OEB's approvals in this Decision and Order shall not take effect until the applicants file written confirmation with the OEB that the corporate reorganization has closed.

IT IS ORDERED THAT:

1. Subject to paragraph 4, below, the application by GreenFirst Forest Products (QC) Inc. to remove "and operation" with respect to the Chapleau Sawmill biomass generation facility from Schedule 1 of its electricity generation licence is granted.
2. Subject to paragraph 4, below, the application by GreenFirst Forest Products (Ontario) Inc. for an electricity generation licence is granted.
3. Subject to paragraph 4, below, the application by Kap Paper Inc. for an electricity wholesaler licence is granted.
4. The grants of the electricity generation licence amendment, electricity generation licence and electricity wholesaler licence in paragraphs 1, 2 and 3 shall not take effect until the applicants advise the OEB, in writing, that the corporate restructuring described in their applications, and summarized in the Decision and Order, has closed.

DATED at Toronto, December 21, 2023

ONTARIO ENERGY BOARD

Tracy Garner
Manager, Transmission Policy & Compliance