



Energy Partnerships

An Economic Opportunity



ACE Partnerships Inc.

Bridget Welton cell:514-951-5109

Agenda

- **Energy in Ontario**
- Distributive Generation
- FIT and Municipalities
- Economic Opportunity
- Partnerships
- Finance
- Evaluation

Ontario Green Energy Act 2009: Key Goals

Create
Sustainable
Energy:

Solar, Wind,
Biomass,
Hydro



Reduce
Dependence
for:

Oil
Coal
Nuclear



Incentivize
Special
Groups:

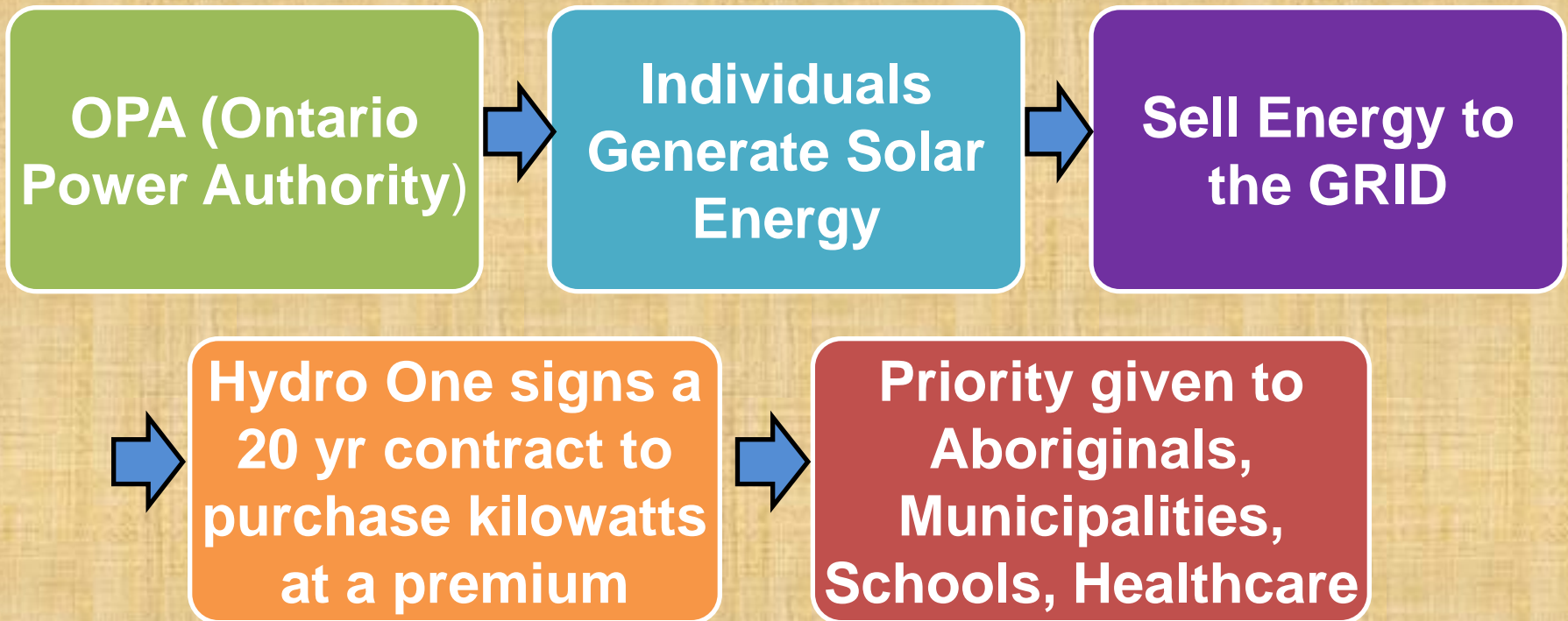
Aboriginals
Municipalities
Schools
Hospitals

Regulation

- **OPA Ontario Power Authority**
- **Governing Agency**
- **Create Program Rules**
- **Approve or Reject Projects**
- **Authority is final and binding**

Ontario FIT Program

“Feed-in Tariff”



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FIT Program allows Energy to be sold the Grid

- Ontario Feed-in Tariff “FIT” Program.
- Allows individuals to produce energy and sell it to the Grid.
- **Hydro One to purchase kw’s at a premium for 20yrs**
- **Premium is 30cents per kilowatt, fixed rate for 20yrs**
- **Current sold at apx.10cents per kilowatt.**
- **System sizes: Microfit up to 10kw (40 panels)**
- **Small FIT up to 500kw (2,000 panels)**
- **Large FIT up to 10 MegaWatts (400,000 panels)**

A Football Field

250kw = 1000 panels



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Municipal Benefits

- **New Stream of Revenue**
- **Solves the Pottersburg Problem**
- **Receive OPA Fast Tracking**
- **Clean Energy Leadership**
- **Positive Public Relations**
- **Turn “Lemons into Lemonade”**

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Why Develop Energy Projects Now?

Government
Subsidies (will
eventually expire)

Low Cost of
Solar Panels

Profitable

Low Cost of
Borrowing \$

N.B. Grid space is Shrinking

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Why do Developers want to form Partnerships?

Developers
have Projects
(not built yet)

Have Land
Have Funding
Have Grid
Space



Application
window is
end of 2013

OPA will
Prioritize
Preferred
Partners



OPA will fast
track
Preferred
Partners

Aboriginals
Municipalities
Schools
Healthcare

Partnership Options

100%

- Non Partnership, Full Ownership

51%

- Municipality Majority Ownership

15%

- Municipality Minority Ownership

Partnership Process

1) Pre-application OPA

Presentation/
Council
Approval



```
graph LR; A[Presentation/Council Approval] --> B[Obtain Site and Site access:]; B --> C[Prepare OPA Documents required:];
```

Economic Opportunity
Community Benefits
Regulation
Ownership Viability

Obtain Site
and Site
access:

Project Details
Partnership Terms
Finance

Prepare OPA
Documents
required:

Council Resolution
Letter of-Intent to-
Partner.
Project Documents

Partnership Process

2) Post-application OPA

After OPA
Application is
submitted:

Lawyers to
review / adjust
Partnership
Agreement



Presentation
to Wider
Community?

Project Profile
Partnership
Benefits

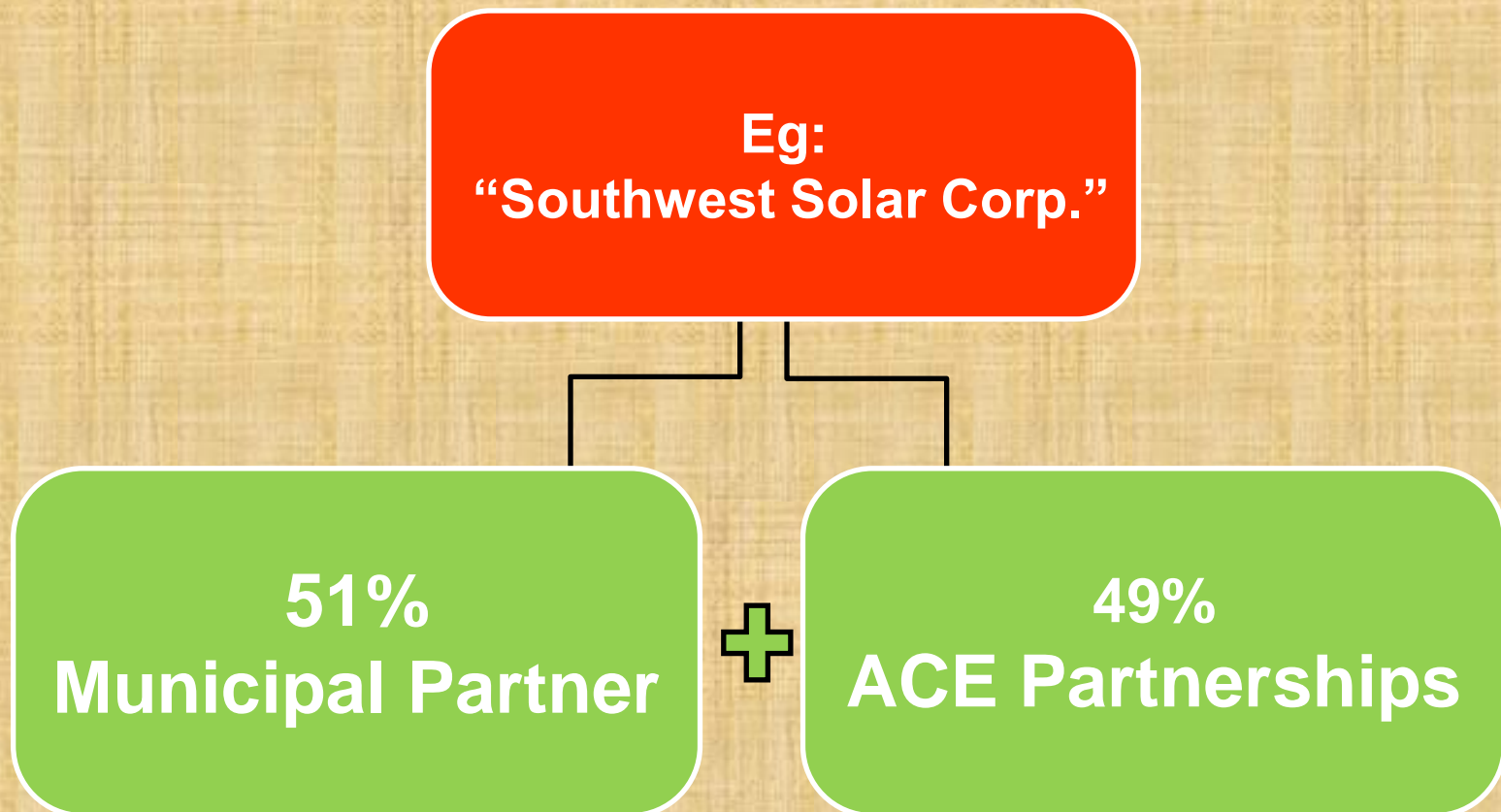


At Notice to
Proceed NTP:

Application for
Funding
51% Purchased
Construction
Operation

Partnership Structure

1) New Corporation is created



Partnership Structure

2) Managing Partner is chosen

MP Manages
operation and
maintenance
of Project.
Deals with
any issues

Managing Partner
Neutral 3rd Party Entity
-usually a Law Firm

MP Distributes
monthly
cheques and
financial
statements to
Partners

“Southwest Solar
Corp.”

51%
Municipal Partner



49%
ACE Partnerships Inc.

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Funding Process

Shared costs
during Application
Phase

At NTP:
Municipality Applies
for Funding &
Purchases Share

Construction
Phase

Commissioning
Phase

2 Meg Project: Cost / Income Estimates

SEE FINANCIAL ANALYSIS

Cost

- \$4,800,000

Gross Income

- \$12,268,381

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ACE Partnerships

- **Experience:**
 - Solar Project Management
 - Strategic Business Development
 - Partnering
- **Knowledge:**
 - Solar Industry
 - Regulatory / Legal
 - Technical



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