

MicroFIT Assignment and Assumption

PROCESS AND NEXT STEPS

IF YOU (THE “**ASSIGNOR**”) ARE SELLING OR TRANSFERRING THE OWNERSHIP OF YOUR PROPERTY WHICH HAS A MICRO-EMBEDDED GENERATION FACILITY CONNECTED TO HYDRO ONE’S DISTRIBUTION SYSTEM, YOU WILL REQUIRE:

- HYDRO ONE’S CONSENT IN ORDER TO ASSIGN THE MICRO-EMBEDDED GENERATION FACILITY CONNECTION AGREEMENT (“**MECA**”) TO THE NEW OWNER (“**ASSIGNEE**”); AND
- THE CONSENT OF THE INDEPENDENT ELECTRICITY SYSTEM OPERATOR (IESO) IN ORDER TO ASSIGN TO THE ASSIGNEE ANY MICROFIT PROCUREMENT CONTRACT (“**MICROFIT CONTRACT**”) UNDER WHICH YOU SELL THE OUTPUT OF THE MICRO-EMBEDDED GENERATION FACILITY TO THE IESO.

IF YOU HAVE A MICROFIT PROCUREMENT CONTRACT, THIS IS A TWO STEP PROCESS. YOU WILL NEED TO NOTIFY BOTH THE IESO AND HYDRO ONE. FOR CLARITY, YOU WILL NEED TO FOLLOW THE IESO’S ONLINE ASSIGNMENT PROCESS AS WELL AS HYDRO ONE’S PROCESS.

IN ORDER TO ASSIGN AN EXISTING MECA BOTH THE ASSIGNOR AND ASSIGNEE MUST AGREE, COMPLETE AND SUBMIT AN ASSIGNMENT AND ASSUMPTION AGREEMENT APPLICATION FORM TO HYDRO ONE. TO ASSIGN THE MICROFIT CONTRACT, YOU MUST DEAL WITH THE IESO AND COMPLY WITH THE REQUIREMENTS OF THE IESO. WHERE YOU HAVE A MICROFIT CONTRACT, HYDRO ONE’S ASSIGNMENT AND ASSUMPTION AGREEMENT FOR THE ASSIGNMENT OF THE MECA, WILL NOT BE EFFECTIVE UNTIL THE IESO HAS APPROVED THE ASSIGNMENT OF THE MICROFIT CONTRACT AND HAS NOTIFIED US OF THE ASSIGNMENT EFFECTIVE DATE.

IMPORTANT INFORMATION:

An Assignment and Assumption Agreement is necessary when a customer is selling or otherwise transferring ownership of their micro-embedded generation facility. In order to complete this agreement, all parties must agree and execute the necessary documentation.

An Assignor is the person, deceased owner or a business that is selling or otherwise transferring the ownership of the micro-embedded generation facility (“Facility”) to another person (the “Assignee”). An Assignee is the person or other legal entity (i.e. corporation) that WILL OWN the micro-embedded generation facility AND WILL BE A PARTY TO THE MICRO-EMBEDDED GENERATION FACILITY CONNECTION AGREEMENT (“**MECA**”) that addresses the connection of the Facility to Hydro One’s distribution system.

As mentioned above, both parties (Assignor and Assignee) must contact the IESO for the MicroFIT Contract to be assigned to the Assignee. Both parties must review the IESO instructions found on their website at <http://www.ieso.ca/en/Get-Involved/microfit/Managing-Your-Contract> to complete the various tasks associated with the IESO’s assignment process. **Note:** The Hydro One assignment process can be done in parallel with the IESO’s process.

Hydro One often see errors with respect to the Assignee’s full legal name in our assignment application forms

which can result in lengthy delays in the assignment process. Therefore, to prevent unnecessary delays, we recommend that you consult with the IESO to determine which version of the MicroFIT Contract the Assignor currently has and what rules must be followed in order for the Assignor to assign its MicroFIT Contract to the Assignee. Depending on what version of the MicroFIT Contract the Assignor has with the IESO, the IESO will require you to submit either the Land Transfer or Parcel Register documentation. It is imperative that the registered individual or business name of the proposed Assignee matches your IESO paperwork when applying to Hydro One. As the Retail Settlement Code requires Hydro One to pay the holder of the MicroFIT Contract in accordance with the terms of any contract made between our customer and the IESO where the IESO purchases the output of the generation facility, the Assignee for the purposes of the MECA must be the same person or entity who is the Assignee for the purposes of the assignment of the MicroFIT Contract being processed by the IESO.

There will be a one month pay delay beginning when the assignor or assignee initiates the transfer request with the IESO or Hydro One, whichever comes first. Generation payments will continue to be processed one month behind the regular billing schedule until the assignment effective date (approval from the IESO).

Please Note: We do not final bill on a generation account as per the closing date. The generation account will be effective under the assignee until the assignment effective date, which is provided to Hydro One and both parties in this transaction, by the IESO.

THE ASSIGNOR:

There are two separate companies involved in the ownership transfer of a microFIT Contract/Generation Facility: Hydro One and the Independent Electricity System Operator (IESO).

Hydro One: We will require an Assignment and Assumption Application Form with your forwarding mailing address after closing, the name(s) of the buyer/assignee, along with their email address and phone number. This form can be accessed online at <https://www.hydroone.com/business-services/generators/microfit>, by phone at 1-877-447-4412 or by email at dxgenerationconnections@hydroone.com. Once we receive the completed application form with any required documents (if applicable), we will prepare the necessary legal agreement with respect to assigning the Micro-Embedded Generation Facility Connection Agreement ("**MECA**") to the Assignee. Both parties will receive the Assignment and Assumption Agreement via email. The Assignment and Assumption Agreement must be returned to us after it has been dated, fully signed and witnessed (if applicable). You may send the completed paperwork either by mail, email or fax to 905-946-6146. If you have a MicroFIT Contract with the IESO, the assignment of the MECA will not be effective until the IESO has assigned the MicroFIT Contract to the Assignee.

IESO: In order to assign the MicroFIT Contract to the Assignee, the Assignor and Assignee must contact the IESO Support Line at 1-833-413-6348 (MFIT) or by email at microFIT.contract@ieso.ca. Once the assignment of the transfer is complete, the IESO will provide Hydro One with an assignment effective date. Provided that you and the Assignor have fully executed Hydro One's Assignment and Assumption Agreement for the assignment of the MECA, Hydro One will final bill the Assignor's microFIT generation account and create a new account for the Assignee effective the approved IESO assignment effective date. The assignment of the MECA will be effective on the approved IESO assignment effective date.

THE ASSIGNEE:

There are two separate companies involved in the ownership transfer of a microFIT Contract/Generation Facility: Hydro One and the Independent Electricity System Operator (IESO).

Hydro One: We will require an Assignment and Assumption Application Form with your new mailing address after closing, the name(s) as listed on the title to the property directly from the Parcel Registry or Land Transfer, along with your email address and phone number. This form can be accessed online at <https://www.hydroone.com/business-services/generators/microfit>, by phone at 1-877-447-4412 or by email at dxgenerationconnections@hydroone.com. The assignment package will be emailed to you once your application form has been processed and we obtain all the information required for the assignment. We will provide you with your required generation account number which will need to be

provided online to the IESO through your Beacon account. Note: there will be a one-time account setup fee of \$38 plus applicable taxes on the first statement of your new account. Also, we will deduct a monthly service charge of \$4.55 plus HST from your monthly generation credit. If you have a MicroFIT Contract with the IESO, the assignment of the MECA will not be effective until the IESO has assigned the MicroFIT Contract to the Assignee.

IESO: In order to assign the MicroFIT Contract, the Assignor and Assignee must contact the IESO **Support Line at 1-833-413-6348 (MFIT)** or by email at microFIT.contract@ieso.ca. Once the assignment of the transfer is complete, the IESO will provide Hydro One with an assignment effective date. Provided that you and the Assignor have fully executed Hydro One's Assignment and Assumption Agreement for the assignment of the MECA, Hydro One will final bill the assignor's microFIT generation account and create a new account for the assignee effective the approved IESO assignment effective date. The assignment of the MECA will be effective on the approved IESO assignment effective date.

CONTACT US



General Inquiries:

DxGenerationConnections@HydroOne.com **1-877-447-**

4412

Distribution Generation Connections, Hydro One Networks Inc.

DISCLAIMER: All information contained in this document is current as of March 30, 2022. Please note it is the generation proponent's sole responsibility to understand and adhere to any changes to Hydro One Network Inc.'s processes, rules or contracts made subsequent to the date listed here. Hydro One Networks Inc. will make every effort to provide the most current version of this document; however, the Generator incurs all risk in the event that it does not follow the correct process or understand the rules. Please visit our website at <https://www.hydroone.com/business-services/generators> to see our current processes and rules.