

Invenergy

Wednesday June 3, 2015

Cameron McWilliam, Mayor
Municipality of Dutton-Dunwich
199 Currie Road, P.O Box 329
Dutton, Ontario N0L 1J0

Re: Letter May 25, 2015

Dear Mayor McWilliam,

Please find answers below to the questions you raised in your letter of May 25, 2015. I thank you for taking the time to prepare the detailed questions and for your interest in the Strong Breeze Wind Project. I hope that some of your concerns were answered in our presentation to council on May 27, 2015. The following pages provide answers to your list of questions to the best of our ability on the project details that are known at this time.

As we explained to council, the Strong Breeze Wind Project is in the early stages of development. We are considering the possibility of submitting a proposal for the Project to the upcoming Independent Electricity System Operator Large Renewable Procurement Request for Proposals (IESO LRP I RFP). There are 42 qualified companies in this tender making it extremely competitive. More information on the procurement can be found here:

<http://www.ieso.ca/Pages/Participate/Generation-Procurement/Large-Renewable-Procurement/default.aspx>

If the project is successful in securing a contract, it would then be subject to the Ministry of Environment's Renewable Energy Approval process. More information on the permitting process can be found here:

<http://www.ontario.ca/environment-and-energy/renewable-energy-approvals>

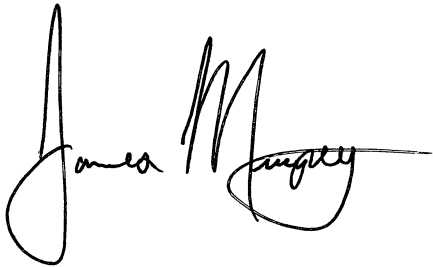
In general, on review of the questions, many of them pertain to matters that are subject to the Ministry of Environment's Renewable Energy Approval process. This is an extensive permit application process specific to renewable energy technologies such as wind energy. It requires a minimum of 12 months to complete the mandatory studies and consultation, and a further 6-12 months for review of the application before a

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decision is made by the Ministry of Environment. We have tried to provide as much information in our responses as possible based on our previous experiences in Ontario.

If landowners or residents have additional questions or wish to discuss these answers in more detail, we have established a Community Working Group that currently meets once per month and is an good venue for discussing these items.

Sincerely,

A handwritten signature in black ink, appearing to read "James J. Murphy". The signature is fluid and cursive, with a large initial "J" and "M".

James J. Murphy
Vice President, Business Development

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Responses to questions submitted by Council May 25, 2015

1. Invenergy's delegation to Council on May 27, 2015 is intended to serve as the mandatory meeting required for the IESO LRP 1 RFP. Invenergy intends to make subsequent delegation(s) as necessary for the purposes of negotiating a community benefit agreement.
2. The mandatory public meeting will feature both an opportunity for members of the public to review poster boards with project information such as general site information and speak with company representatives. This will be followed by a moderated 'Town Hall' format with a question and answer session. The tentative date is July 23, 2015 at the Community Recreation Centre
3. It is anticipated that the Strong Breeze Wind Energy project will be 60 MW in size due to constraints on the electrical transmission lines in the area. No turbine details are known at this time as Invenergy is preparing for the competitive procurement and is interviewing manufacturers and discussing commercially sensitive items. It is our best estimate that between 20-25 units would be proposed. A map of the project area will be on display at the public meeting. No layout maps are available at this time. Invenergy is committed to first reviewing with its landowners proposed locations prior to making plans available for public review.
4. Yes, Invenergy intends to negotiate without prejudice a community benefit proposal with Council and looks forward to making future deputations on this matter prior to submitting its bid into the IESO LRP 1 RFP.
5. Invenergy is prepared to discuss with the Municipality the obligations it will incur as a result of the Strong Breeze Wind Project and to find ways to assist with these costs.
6. The web page is in the process of being posted over the next several days. Once established, the URL is www.invenergyllc.com/strongbreeze
7. The Strong Breeze Wind Project will abide by all setbacks set forth in the Renewable Energy Approval process overseen by the Ministry of Environment. Where additional setbacks are agreed to by the project and the Municipality those will be implemented as well.

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8. Per our delegation on May 27, 2015, Invenergy has proposed a 1 km setback from the current boundary of the Town of Dutton and looks forward to discussing this in further detail with Council.
9. The project will have to abide by all rules and regulations that pertain to airstrips and airways as set out by Transport Canada and NAV Canada.
10. It is at a leaseholder's discretion to approve or decline a turbine on their property less than 550 m as per the Renewable Energy Approval process established by the Ministry of Environment.
11. As the Strong Breeze Wind Project is participating in a competitive tender, we are willing to provide a redacted copy of the agreement to Council only on a confidential basis.
12. Yes, all current Dutton Dunwich landowners are advised to seek legal guidance prior to signing a lease.
13. No, landowners who have signed a lease are not permitted to cancel the lease.
14. Invenergy uses project financing with commercial lenders to finance its developments.
15. No, Invenergy does not intend to use liens on Dutton Dunwich properties, private or Municipal, to finance this project.
16. We are not at liberty to disclose whether or not we're involved in any legal proceedings at this time.
17. Support of abutting landowners is a provision of the RFP, and we're not able to disclose details due to commercially sensitive competitive reasons.
18. The amount of water Invenergy will use from local sources during the construction phase will be covered within the Renewable Energy Approval process and is not known at this time. Anything more than 50,000 litres/day requires a specific batch plant water permit. It is very unlikely this will be required.
19. Invenergy is aware that under very rare circumstances in communities with high water tables that there has been some impacts on water quality due to stirring up of sediment. This occurred where foundations required 'pile driving' for their installation. While no geotech studies have been completed yet for the Strong Breeze Wind Project, these will be done to determine the quality and structure of the underburden. Based on desktop studies and word of mouth from our

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participating landowners, we do not believe that pile driven foundations will be required. It is more likely that a traditional spread form foundation will be employed. This is unlikely to have any impact on water quality. All studies and surveys that are conducted for the project for the purposes of applying for a Renewable Energy Approval permit are subject to public review and comment. The Strong Breeze Wind Project is very early in development and these detailed studies and reports will not be conducted until 2016 at the earliest and depends on whether the project is successful in obtaining a contract from the IESO LRP 1 RFP.

20. This is covered under the Renewable Energy Approval process and will be covered within specific reports. Please note that reports that are prepared are subjected to multiple reviews by the general public and the Municipality prior to being finalized and implemented. As per the previous answer, these studies and reports will not be conducted until 2016 at the earliest.
21. As per the previous answer, this is covered under the Renewable Energy Approval process and will be covered within specific reports.
22. Fire suppression capability is specific to each individual turbine and manufacturer. As no turbine has been selected at present we're unable to advise what the specific capability is. However, Invenergy uses only Tier 1 manufacturers and the unit that is selected will conform to industry and regulatory standards.
23. There will be no requirement for the Municipality of Dutton-Dunwich to provide any 'High Angle' rescue support. Our on-site dedicated operations and management technicians are trained by the manufacturers specific to the turbines that are installed.
24. No. It is not anticipated that there will be any impacts to two-way radios used by fire and police departments in the area. The Radio Advisory Board of Canada publishes for the wind industry a specific list of radar, radio, telecommunications services used by municipal, provincial and federal services both publically and privately. As part of our permitting effort under the Renewable Energy Approval process, we will screen the project and correspond with those services to ensure no impact from the facility. If an impact is determined, then it will be mitigated.

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25. The setback distances that were established by the Ministry of Environment are more than sufficient in the unlikely scenario of fire as turbines are generally located in remote areas of properties due to sound setback requirements.
26. Upon granting of the Renewable Energy Approval certificate by the Ministry of Environment (MOE), there are conditions imposed by the MOE relating to ensuring compliance with the details of the permit. We will meet the defined conditions. From our previous experience in Ontario, in instances where there are complaints from landowners about sound levels from a nearby machine, the local branch of the MOE in co-ordination with our operations and maintenance personnel will attend to the turbine in question and perform routine tests to determine whether the noise in question is mechanical in nature. If this cannot be resolved to the landowner's satisfaction, the MOE can require additional measures to be taken, at their discretion.
27. There have been a minimal number of complaints related to the Raleigh Wind Energy Centre. Many occurred right at the start of operation for the facility and were resolved directly between the operations and management personnel and the landowner. As Invenergy has a dedicated facility with skilled technicians and management personnel on site, we're able to respond in a timely manner to all inquiries and resolve as soon as possible.
28. There is nothing in peer reviewed scientific research to suggest that turbines pose any health risks for residents or livestock when sited in accordance with the Ministry of Environment's mandated setbacks. We appreciate that there is often a level of apprehension among non-participating landowners and residents around new facilities being located in communities that don't have existing projects. We would encourage individuals who have concerns or questions to attend our Community Working Group meetings to discuss in more detail.
29. There are a number of available remedies to curtail the effects of shadow flicker, which is a temporary situation that occurs at known intervals based on sun direction and climatic conditions. For example at our Raleigh Wind Energy Centre, we were able to resolve a shadow flicker issue for a non-participating landowner by tree planting at their residence in a targeted area to minimize the issue. While shadow flicker can't always be eliminated, it can be effectively mitigated.

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30. It is not known at this time how much agricultural land will be used for the project. It depends on the number of units, the access routes agreed with participating landowners and the collection system design. This information will be made available in the Renewable Energy Approval permitting process.
31. No, for adjacent non-participating landowners, they are not required to get approvals from Invenergy to place structures within a certain distance of a wind turbine. For leaseholders, there is generally no issue provided the size and scale of the structure doesn't interfere with the location of the unit once built.
32. The project has significant insurance coverages throughout all phases of the development, construction and operations phases. This scales depending on the level of risk and activity that is underway. Participating landowners are indemnified through their land agreements.
33. This also pertains to the Renewable Energy Approval process. There are regimented processes established by the Ministry of Environment, Ministry of Natural Resources and local Conservation Authorities for documenting and reporting on sensitive lands, endangered species etc. As the Renewable Energy Approval is a proponent driven process, Invenergy will hire third party consulting firms to complete the work on its behalf and prepare the necessary reports. All reports and the results of studies will be made available for public review and comment.
34. This project is not receiving a fixed rate 'Feed In Tariff.' It will be submitting a project specific bid to the IESO. As this is a competitive tendering process, any bids that are made will be commercially sensitive and not publically disclosed until it is appropriate to do so.
35. Invenergy is willing to negotiate with the Municipality a community benefit package. The details of which will be subject to those discussions.
36. We anticipate that there would be 5-6 permanent positions created for the operation and maintenance of the facility in Dutton-Dunwich, and over 150 construction related jobs for the building of the project.
37. This information is not known at this time but would be covered in the Renewable Energy Approval permitting documents as per Ministry of Environment guidance.

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38. A detailed remediation plan has not been drafted at this time but would be covered in the Renewable Energy Approval permitting documents as per Ministry of Environment guidance. Agricultural land restoration would be covered per leaseholder agreements with Invenergy.
39. Supporting concrete pads will be removed to 3' below grade. The material would be sent to the appropriate facility at that point in time (which would be over 20-25 years from now). This is covered in the Renewable Energy Approval permitting documents
40. Invenergy will establish a decommissioning security that will cover the cost of decommissioning and the details of this will be covered in the Renewable Energy Approval permitting documents.
41. The liability for decommissioning is held by the project and not the leaseholders or the municipality. The cost of decommissioning, as stated above, is covered by the security that is posted by Invenergy.
42. All information related to decommissioning, disposal, recycling etc. will be covered in the Renewable Energy Approval permitting documents as per Ministry of Environment guidance.
43. Yes, if the Strong Breeze Wind Energy Project is not selected in the LRP I RFP in September, we will continue to develop the project in preparation for the next LRP RFP.