

**Ontario Energy
Board**
P.O. Box 2319
27th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

**Commission de l'énergie
de l'Ontario**
C.P. 2319
27e étage
2300, rue Yonge
Toronto ON M4P 1E4
Téléphone: 416- 481-1967
Télécopieur: 416- 440-7656
Numéro sans frais: 1-888-632-6273



BY E-MAIL

April 8, 2010

Helen T. Newland
Fraser Milner Casgrain LLP
Suite 3900
1 First Canadian Place
100 King Street West
Toronto ON M5X 1B2

Dear Ms. Newland:

**Re: Kruger Energy Inc.
Application for an Electricity Generator Licence
Board File Number EB-2010-0151**

You have applied for an electricity generator licence to operate the Port Alma Wind Farm generation facility ("Port Alma Facility") and Kruger Energy Chatham Wind Project ("Chatham Project"). The Board has conducted a preliminary review of your application and requires additional information before it proceeds in this matter. The information required to complete your application is set out below:

1. Information relating to Port Alma Wind Farm Generation Facility:

- a. Our records show Kruger Energy Port Alma Limited Partnership as the licensed owner and operator (electricity generator licence EG-2008-0027) for the Port Alma Facility. It has not been the Board's practice to have two licensed operators for the same generation facility. Accordingly, your application for an electricity generator licence to operate the Port Alma Facility can not be processed until Kruger Energy Port Alma Limited Partnership files a request for an amendment to its electricity generator licence EG-2008-0027 to reflect the removal of the operator qualification for the subject facility.

- b. The Port Alma Facility is listed on schedule 1 of Kruger Energy Port Alma Limited Partnership's electricity generator licence EG-2008-0027 and described as *"KEPA Wind Farm, owned and operated by the Licensee near Port Alma, Ontario in the Municipality of Chatham-Kent"*. However, in your application, you described the same generation facility as *"Port Alma wind Farm, 4061 Simpson Avenue, Merlin, Ontario, NOP 1W0"*. Please clarify which of the two descriptions accurately describes the Port Alma Facility. The accurate description must be reflected on schedule 1 of the relevant licences. Please note that if the current facility description on schedule 1 of Kruger Energy Port Alma Limited Partnership's electricity generator licence EG-2008-0027 is inaccurate, Kruger Energy Port Alma Limited Partnership should request an amendment to schedule 1 of its licence to reflect the accurate facility description.

2. Information relating to the Chatham Project:

According to your application, the Chatham Project is owned by Kruger Energy Chatham Limited Partnership. However, Kruger Energy Chatham Limited Partnership is not licensed by the Board to own this facility nor does it have an application before the Board for that purpose. It has not been the Board's practice to license operators for facilities that have no licensed owners (i.e. it has been the Board's practice to licence owners and operators of generation facilities at the same time). Accordingly, your application for a generator licence to operate the Chatham Project cannot be processed until Kruger Energy Chatham Limited Partnership files an application with the Board for an electricity generator licence to own the Chatham Project.

3. Information relating to the Financial Status of the Applicant:

The applicant provided some financial information as per section 12 of the of the application form for an electricity generator licence. However, the provided financial information is inadequate. Please provide additional evidence demonstrating that the applicant is in a healthy financial position and/or will have adequate financial support to meet its financial obligations.

The Board will resume processing your application once the above information has been filed. If the above information is not filed within 30 days of the date of this letter,

the Board may close the file for this application.

Please file two paper copies of the additional material and an electronic version in Word and in searchable Adobe Acrobat (if available) with the Board Secretary. Electronic copies may be submitted on diskette or by e-mail to boardsec@oeb.gov.on.ca.

Please direct any questions relating to this application to Gona Jaff, Project Advisor at 416- 440-7613 or Gona.Jaff@oeb.gov.on.ca.

Yours truly,

Original signed by

John Pickernell
Assistant Board Secretary