

FIVE NATIONS ENERGY INC.

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FAX COVER SHEET

DATE: May 26/10
TO: Airsten Walli - OEB
FAX NUMBER: 416-440-7656
FROM: Rose Area for Joe Harbour
RE: Copy of letter
NO. OF PAGES 3 (INCLUDING FAX COVER SHEET)

MESSAGE / COMMENTS

Please see attached Copy of
letter sent to Howard Wetston.
Thank You.

CONFIDENTIALITY NOTE

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May 26, 2010

Mr. Howard Wetston
Chair
Ontario Energy Board
Suite 2700
2300 Yonge Street
Toronto ON M4P 1E4

Dear Mr. Wetston:

**RE: Five Nations Energy Inc. ("FNEI") Transmission Rate Application
(EB-2009-0387) Location of Oral Hearing**

As you know, FNEI is currently in the midst of its transmission rate proceeding, and will be responding to information requests from Board Staff and one intervenor this week. While the Board has not yet determined the subsequent procedural steps in our proceeding, our expectation was that an oral hearing would likely be required. If so, I would ask the Board to consider holding the proceeding in Attawapiskat.

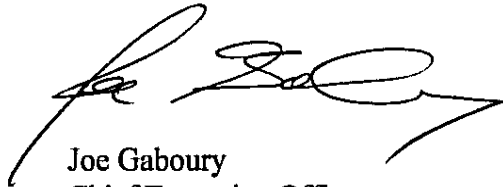
FNEI was established by three (formerly) electrically remote First Nations (Attawapiskat, Fort Albany and Kashechewan) to improve electrical service to the region, and provide social and economic benefits to the three First Nation communities. The creation of FNEI was part of a larger project (the Omushkego Ishkotayo project) that saw each of the three First Nations assume ownership and operational responsibility for the electricity distribution service in their respective communities.

Electricity issues are of paramount importance in the three communities for a number of reasons: (a) since the completion of the Omushkego Ishkotayo project, the communities now have ownership and operational responsibility for transmission and distribution business; (b) with reliable electrical service now in operation along the western James Bay coast, these communities have seen interest intensify in the region's power generation potential (including the

Albany River, one of the province's last remaining undeveloped river systems); and (c) given the cold climate, poor economic conditions and reliance on electric base-board heating, electricity costs make up a far greater proportion of household expenses than elsewhere in the province. As a result, our communities benefit substantially from any and all efforts to improve understanding of electricity markets and regulation in Ontario. Holding the oral phase of the proceeding in one of the communities would only contribute to this understanding, and the logistics of holding the hearing in Attawapiskat would be easily managed.

I am copying Chief Theresa Hall of the Attawapiskat First Nation on this letter. If an oral hearing is scheduled, and the Board is amenable to holding the hearing in Attawapiskat, I would arrange for Chief Hall to formally invite the Board to the community. I look forward to hearing from you.

Meegwetch,



Joe Gaboury
Chief Executive Officer

cc: Chief Theresa Hall, Attawapiskat First Nation
Ms. Kirsten Walli, Board Secretary
Mr. Richard King, Ogilvy Renault LLP