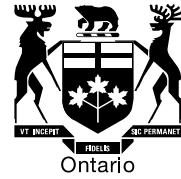


Ontario Energy Board
P.O. Box 2319
27th. Floor
2300 Yonge Street
Toronto ON M4P 1E4
Telephone: 416- 481-1967
Facsimile: 416- 440-7656
Toll free: 1-888-632-6273

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

November 16, 2010

Alastair Wilson
Chairman
Gemini - SRF Power Corporation
4 King Street West
Suite 1230
Toronto ON M5H 1B6

Dear Mr. Wilson:

**Re: Application for Electricity Generator Licence
Board File Number EB-2010-0330**

The Board has reviewed Gemini – SRF Power Corporation’s (“Gemini”) application for an electricity generator licence. Your application is currently incomplete and cannot be processed until the following has been filed:

1. Please refer to section 7 and indicate what your intended markets or services are.
2. Under Board licence EG-2003-0181, the Smooth Rock Falls Generation Station is owned and operated by Tembec Industries Inc. Pulp Group S.R.F. Division (“Tembec”). As your generation licence application is to own and operate the same generation station, please provide an explanation for the change, an effective date and related supporting documentations.
3. For the Board to continue processing your licence application for ownership and operation of Smooth Rock Falls Generation Station, Tembec is required to provide the Board with a written request to cancel its licence on approval of your licence application to own and operate this generation station.
4. The Hydroelectric Contract Initiative for this facility is between OPA and Tembec. Please provide proof that OPA will be approving or has

approved assignment and notation of this contract from Tembec to Gemini.

5. Please provide information on the status of connection with Hydro One to change from Tembec to Gemini. If this is complete, please provide a copy of the assignment and notation agreement with Hydro One to show the change from Tembec to Gemini.
6. The wrong guarantor template has been filed with your application. The Board's standard guarantor template for a generation application is attached for your completion. Please note when filing a parental guarantee with your application, your parent company's audited financial statements for the most current two fiscal years are also required. For details, please refer to section 12 of the application.
7. Please update the resumes filed for technical resources. For instance, Alastair Wilson is presently employed as President, Hugh Energy Inc. Energy Consulting Co.; Lance E. McIntosh is employed with LEM Consulting, etc.

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.

Upon receipt of the required information the Board will issue an acknowledgement letter indicating the expected date on which a decision and/or order may be rendered.

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 CD or by e-mail to boardsec@oeb.gov.on.ca.

Please direct any questions relating to this application to Julie Doherty, Advisor at +1 (416) 440-8133 or e-mail, Julie.Doherty@oeb.gov.on.ca.

Yours truly,

Original signed by

John Pickernell
Assistant Board Secretary

**Guarantee in support of application
to the Ontario Energy Board for issuance of an electricity wholesaler licence**

Whereas [Guarantor] is the ultimate parent of [Licence Applicant];

And whereas [Licence Applicant] has applied to the Ontario Energy Board for an electricity wholesaler licence (EB-200X-XXXX) (the "Licence");

[Guarantor] hereby irrevocably, absolutely, and unconditionally guarantees to the Ontario Energy Board ("OEB") the due, punctual, and full performance and observance by [Licence Applicant] and its successors and assigns of all payment of sums owed by [Licence Applicant] to meet financial obligations entered into under the Licence (hereinafter referred to as the "Guaranteed Obligations").

If for any reason whatsoever [Licence Applicant] shall fail or be unable to duly, punctually, and fully perform or observe any such Guaranteed Obligation, [Guarantor] shall perform or observe such Guaranteed Obligation or cause such Guaranteed Obligation to be performed or observed, without regard to any exercise or non-exercise by OEB of any right, power or privilege under or in respect of the Licence or the Guaranteed Obligations. This Guarantee shall be direct, immediate, and primary and is not conditioned or contingent upon any demand on, or upon any other event, contingency or circumstances whatsoever or on OEB having made any demand on [Guarantor] pursuant to the Licence.

[Signature]

[Title of Signing Officer]
[Guarantor]

I have authority to bind the corporation.

[Date]