

November 8, 2010

RESS, EMAIL & COURIER

Ontario Energy Board
P.O. Box 2319
27th Floor
2300 Yonge Street
Toronto ON M4P 1E4

Attention: Ms. K. Walli, Board Secretary

Dear Ms. Walli:

Re: EB-2010-0253 -- Written Submissions of Plateau Wind Inc. in Support of its Application under Section 41(9) of the *Electricity Act, 1998*

We are counsel to Plateau Wind Inc. ("Plateau") in the above noted proceeding. In accordance with the Ontario Energy Board's Procedural Order dated November 29, 2010, please find enclosed Plateau's written submission in support of its application for an order or orders pursuant to section 41(9) of the *Electricity Act, 1998* (as amended) establishing the location of Plateau's distribution facilities within certain public rights-of-way, streets and highways owned by the Municipality of Grey Highlands.

Please feel free to contact me with any questions.

Yours truly,



Tyson Dyck

Tel 416.865.8136
Fax 416.865.7380
tdyck@torys.com

cc: D. Timm, Plateau
C. Keizer, Torys LLP

ONTARIO ENERGY BOARD

EB-2010-0253

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O., c. 15 (Sched. B);

AND IN THE MATTER OF an application by Plateau
Wind Inc. for an Order or Orders pursuant to section 41(9)
of the *Electricity Act*, 1998 (as amended) determining the
location of Plateau's distribution facilities within certain
road allowances owned by the Municipality of Grey
Highlands, Ontario.

Plateau Wind Inc.

November 8, 2010

INDEX

| <u>Tab</u> | <u>Appendix</u> | <u>Title</u> | <u>Page</u> |
|-------------------|------------------------|--|--------------------|
| 1 | | Index | 2 |
| 2 | | Written Submissions | 3 |
| A | | <i>List of Road Allowances within which the Distribution System will be Located</i> | 15 |
| B | | <i>Map of Proposed Generation, Distribution and other Project Facilities</i> | 17 |
| C | | <i>Cross-Sectional Drawing of Approximate Location of Distribution System within Road Allowances</i> | 19 |
| D | | <i>Proposed Road Use Agreement</i> | 21 |
| E | | <i>Grey Highlands Municipal Staff Report PL.10.34</i> | 36 |
| F | | <i>Grey Highlands Chief Administrative Officer Recommendation</i> | 56 |
| G | | <i>Map of Environmental Constraints</i> | 60 |
| H | | <i>Map of Joint Use Facilities</i> | 62 |

ONTARIO ENERGY BOARD**EB-2010-0253**

IN THE MATTER OF the *Ontario Energy Board Act*,
1998, S.O., c. 15 (Sched. B);

AND IN THE MATTER OF an application by Plateau
Wind Inc. for an Order or Orders pursuant to section 41(9)
of the *Electricity Act, 1998* (as amended) determining the
location of Plateau's distribution facilities within certain
road allowances owned by the Municipality of Grey
Highlands, Ontario.

WRITTEN SUBMISSION

In accordance with the Ontario Energy Board's Procedural Order dated November 29,
2010, Plateau Wind Inc. ("Plateau") makes this written submission in support of its
application for an order or orders pursuant to section 41(9) of the *Electricity Act, 1998* (as
amended) (the "Electricity Act") establishing the location of Plateau's distribution
facilities within certain public rights-of-way, streets and highways owned by the
Municipality of Grey Highlands ("Grey Highlands").

1.0 THE PROJECT

Plateau owns and will operate the generation and distribution assets of the Plateau Wind
Energy Project, which is located in two distinct siting areas: (i) the Plateau I and II siting
area, which is primarily located in Grey Highlands in Grey County, and (ii) the Plateau
III siting area, which is located in Melancthon Township ("Melancthon") in Dufferin
County. For the purposes of this application, the Plateau I and II siting area, together

1 with the turbines contained therein and the associated distribution network connecting
2 these turbines to the grid, will be collectively referred to as the “Project”. In total, the
3 Project will involve twelve GE xle 1.5 MW wind turbine generators, together having 18
4 MWs of capacity (the “Turbines”). Eleven of the Turbines will be located in Grey
5 Highlands, and one will be located in Melancthon. The Project is further described in
6 Exhibit B, Tab 2, Schedule 1 (Project Description) of Plateau’s July 30, 2010 Application
7 (the “Application”).

8 Fundamentally to the Project and this Application, the Project will involve a 44 kilovolt
9 (“kV”) overhead and underground electrical power distribution system (the “Distribution
10 System”), which is necessary to transport the electricity generated from each Turbine to
11 the existing 44 kV local distribution system of Hydro One Networks Inc. (“HONI”) and
12 ultimately to the IESO-controlled grid.¹ Plateau has chosen to locate certain power lines,
13 poles and other facilities associated with this Distribution System within certain public
14 rights-of-way, streets and highways owned by Grey Highlands and more particularly
15 identified in Appendix A (the “Road Allowances”).

16 As shown in the map located at Appendix B, the Distribution System will connect, at one
17 end, to the pad-mounted transformers located at the base of each Turbine. From these
18 transformers, which will step up the generated electricity, 44 kV underground power lines
19 will run on private lands until they connect to 44 kV primarily overhead power lines

¹ The Distribution System is described in Exhibit B, Tab 2, Schedule 1 and Exhibit B, Tab 3, Schedule 1 of the Application.

1 located within the Road Allowances.² The lines will then carry the electricity to a HONI
2 tap point.³

3 **2.0 STATUTORY RIGHTS OF DISTRIBUTORS**

4 Under section 41 of the Electricity Act, Plateau has the right to locate the Distribution
5 System within the Road Allowances and the right to bring this Application. These rights
6 arise because Plateau, as the owner and operator of the Distribution System, is a
7 distributor as defined in the Electricity Act.⁴ That said, Plateau does not require a
8 distribution license under the *Ontario Energy Board Act, 1998* (“OEB Act”) because it is
9 both a distributor and a generator that will not earn revenue from the Distribution System,
10 but that will use the Distribution System solely for conveying the electricity generated by
11 the Turbines to the HONI distribution system and ultimately to the IESO-controlled grid.⁵
12 The fact that a generator, like Plateau, is granted an exemption from requiring a license as
13 a distributor, confirms the fact that such a generator is a distributor under the OEB Act.

14 Pursuant to subsections 41(1) and 41(5) of the Electricity Act, all distributors, regardless
15 of whether they are licensed, may construct or install such distribution facilities within
16 any public streets or highways without the consent of the owner of or any other person

² Plateau proposes that the lines within the Road Allowances will primarily be overhead, although in some cases they will be underground where they cross a Road Allowance. See Exhibit B, Tab 3, Schedule 1, Page 2 of the Application.

³ Note that the proposed location of the tap point (as depicted in the maps attached hereto) is subject to the results of the Connection Impact Assessment and discussions with HONI. Any changes to the proposed location are not expected to affect the location of Plateau’s Distribution System within the Road Allowances.

⁴ The Electricity Act defines a distributor as “a person who owns or operates a distribution system.”

⁵ Section 4.0.1(1) of O. Reg. 161/99 under the OEB Act exempts from the licensing requirements those distributors that distribute electricity for a price no greater than that required to recover all reasonable costs and, with respect to a distribution system owned or operated by a distributor that is also a generator, that distribute electricity solely for conveying it to the IESO-controlled grid. See also Exhibit B, Tab 2, Schedule 1, Page 1 of the Application.

1 having an interest in such streets or highways -- in this case, Grey Highlands.⁶ In the
2 event that a distributor and the owner of the chosen public streets or highways cannot
3 agree to the exact location of the distribution facilities within such public streets or
4 highways, section 41(9) of the Electricity Act states that the Board shall determine such
5 location.⁷

6 Because of the limited scope of section 41(9), and because Plateau and Grey Highlands
7 have been unable to agree to the exact location of the Distribution System within the
8 Road Allowances, the only issue before the Board is determining that location.⁸ The
9 Board acknowledged its limited jurisdiction in Procedural Order No. 1 dated October 29,
10 2010, in which the Board stated that section 41(9) of the Electricity Act “limits the
11 Board’s role in this proceeding to determination of the location of Plateau’s proposed
12 distribution facilities within the prescribed road allowances owned by Grey Highlands. It
13 is not the Board’s role in this proceeding ... to consider alternative routes for the
14 distribution facilities that are outside of the prescribed road allowances.”

15 Ultimately, then, this hearing concerns where in the Road Allowances that Plateau will
16 locate the Distribution System -- for example, whether the Distribution System will be

⁶ Section 41(1) states, “A transmitter or distributor may, over, under or on any public street or highway, construct or install such structures, equipment and other facilities as it considers necessary for the purpose of its transmission or distribution system, including poles and lines.”

Section 41(5) states, “The exercise of powers under subsections [41] (1), (2) and (3) does not require the consent of the owner of or any other person having an interest in the street or highway.”

⁷ Section 41 (9) states: “The location of any structures, equipment or facilities constructed or installed under subsection (1) shall be agreed on by the transmitter or distributor and the owner of the street or highway, and in case of disagreement shall be determined by the Board.”

⁸ For further details on the disagreement on the location of the Distribution System within the Road Allowances, see Exhibit B, Tab 5, Schedule 1, Pages 2-6 of the Application.

located over, on or near traveled or untraveled sections of the Road Allowances. The hearing does not concern which Road Allowances that Plateau has chosen to use.

3.0 PROPOSED LOCATION OF THE DISTRIBUTION SYSTEM WITHIN THE ROAD ALLOWANCES

Plateau proposes that the location of the Distribution System within the Road Allowances should be as follows:

- The Distribution System facilities shall generally be located 1.0-1.5 metres from the abutting property line, provided this location is reasonable and meets all applicable safety standards.⁹ A cross-sectional drawing included at Appendix C shows the approximate location of where Plateau proposes to position the poles and other Distribution System facilities within the Road Allowances. As discussed below, this proposal accords with the terms of the proposed road use agreement between Plateau and Grey Highlands.¹⁰
- Where practicable and with certain exceptions, the Distribution System facilities that Plateau will construct, maintain or install shall not be located under the existing or contemplated traveled portion of any of the Road Allowances.¹¹ Rather, Plateau will locate these facilities adjacent to such existing or contemplated traveled portion of such Road Allowances. As discussed below, this proposal accords with the terms of the proposed road use agreement between Plateau and Grey Highlands.¹²

In addition to proposing this location for the Distribution System within the Road Allowances, Plateau requests that the Board, pursuant to its authority under section 23(1) of the OEB Act, include the following conditions in its Order:

⁹ For example, once the detailed engineering process is completed, Plateau may be required to slightly deviate from the 1.0-1.5 metre setback to minimize the need for tree cutting, road crossings and guy anchors on private properties, as well as to accommodate the flow of the ditch drainage.

¹⁰ See Exhibit B, Tab 4, Schedule 1, Page 3 of the Application.

¹¹ Exemptions include certain underground road crossings that allow the Distribution System to follow the existing HONI poles in order to minimize the need to place poles on both sides of the Road Allowances.

¹² See Exhibit B, Tab 4, Schedule 1, Page 3 of the Application.

- 1 • Plateau shall acknowledge that the rights to use the Road Allowances are not
2 exclusive rights. In addition, Grey Highland is not precluded from entering into
3 the Road Allowances for its own municipal purposes, and Grey Highlands has no
4 obligation to notify Plateau of such entry provided it does not adversely affect the
5 Distribution System.
- 6 • In constructing or decommissioning the Distribution System within the Road
7 Allowances (the “Work”), Plateau shall use all due care and diligence to prevent,
8 among other things, any unnecessary or unavoidable interference with the
9 travelled portion of any Road Allowance or with any traffic thereon.
- 10 • Prior to the commencement of any Work, Plateau shall file plans with Grey
11 Highlands and/or the Saugeen Valley Conservation Authority detailing the Work.
12 Plateau will undertake the Work in accordance with those plans.¹³
- 13 • Within 30 days of the completion of any construction Work, Plateau shall deposit
14 with Grey Highlands as-constructed plans detailing the location and specifications
15 of any installed infrastructure, including any distribution lines and poles.
- 16 • Plateau shall undertake and complete any Work requiring a permit from Grey
17 Highlands within the time specified in such permit, provided such time is
18 reasonable. Plateau shall also complete such Work so as not to cause unnecessary
19 nuisance or damage to Grey Highlands or any other user of the Road Allowance
20 where the Work is conducted.
- 21 • Prior to the commencement of any Work, Plateau shall obtain any necessary
22 approval of any federal, provincial, county or municipal government or agency.
23 Plateau shall also notify any other person or body operating any equipment,
24 installations, utilities or other facilities within the Road Allowances about the
25 details of the Work, including where it is to be conducted.
- 26 • In the event that it becomes necessary to break, remove, or otherwise pierce the
27 existing surface of any of the Road Allowances to undertake the Work, Plateau
28 shall, in so far as is practical, at its own expense, repair, reinstate, restore, or
29 remediate such surface to the same or better condition than existed prior to the
30 commencement of such Work.¹⁴
- 31 • Subject to section 41 of the OEB Act, if Plateau wishes to relocate any of the
32 Distribution System facilities previously installed, placed or constructed in the

¹³ This condition is in accordance with Section 41 (7) of the Electricity Act, which states: “If a transmitter or distributor exercises a power or entry under this section, it shall, (a) provide reasonable notice of the entry to the owner or other person having authority over the street or highway ...”

¹⁴ This condition is in accordance with Section 41 (7) of the Electricity Act, which states: “If a transmitter or distributor exercises a power or entry under this section, it shall, ... (b) in so far as is practicable, restore the street or highway to its original condition; and (c) provide compensation for any damages caused by the entry.”

1 Road Allowances, it shall notify Grey Highlands in writing of its intent to do so,
2 and Grey Highlands shall not unreasonably withhold its consent to such
3 relocation.

4 Notably, none of these requested terms or conditions vary from those already enshrined
5 in the standard road use agreement (the “Proposed Road Use Agreement”) that Plateau
6 negotiated with the Municipal Staff of Grey Highlands (the “Municipal Staff”) and Grey
7 Highlands’ legal counsel.¹⁵ In the negotiations, the parties reached a mutually acceptable
8 agreement with respect to the location, construction, operation and maintenance of the
9 Distribution System within the Road Allowances.¹⁶ In particular, under the Proposed
10 Road Use Agreement, Grey Highlands would have affirmed Plateau’s statutory right to
11 use the Road Allowances for the Distribution System and agreed to the location of the
12 Distribution System. In exchange, Plateau would have conferred certain benefits on and
13 provided numerous protections to Grey Highlands. A copy of the Proposed Road Use
14 Agreement is attached at Appendix D.

15 In addition, none of the requested terms and conditions vary substantially from the terms
16 and conditions contained in the agreement between Plateau and Melancthon, which
17 Melancthon Council has already approved, regarding the location of seven turbines and
18 the associated distribution facilities in its jurisdiction.¹⁷ One of these turbines is the
19 Turbine in Melancthon that is part of the Plateau I and II siting area, and some of the
20 distribution facilities will be located on the Melancthon side of some of the Road
21 Allowances that are jointly owned by Melancthon and Grey Highlands.

¹⁵ For a summary of those terms and conditions, see Exhibit B, Tab 4, Schedule 1, Pages 4-7 of the Application.

¹⁶ See Exhibit B, Tab 4, Schedule 1, Pages 1-2 of the Application.

¹⁷ See Exhibit B, Tab 4, Schedule 1, Pages 2-3 of the Application.

1 **4.0 RATIONALE FOR AND ALTERNATIVES TO PROPOSED LOCATION**

2 Having chosen to locate the Distribution System within the Road Allowances, Plateau
3 has limited choices with respect to the precise location of those facilities within the Road
4 Allowances.¹⁸ That choice is restricted to, for example, whether the Distribution System
5 will be located on or near a traveled or untraveled section of the Road Allowances.
6 Given the limited scope of the choice, there is carefully considered rationale behind the
7 location that Plateau has proposed in this submission. In particular, the proposed location
8 of the Distribution System within the Road Allowances addresses the concerns of Grey
9 Highlands Municipal Staff and legal counsel, mitigates potential environmental and
10 social impacts and satisfies regulatory, economic and technical requirements.¹⁹ After
11 considering these rationale, Plateau submits that there are no suitable alternatives for
12 locating the Distribution System in the Road Allowances other than as proposed herein.

13 **4.1 ADDRESSING CONCERNS OF GREY HIGHLANDS**

14 Prior to this Application, Plateau addressed all of the concerns raised by Grey Highlands
15 Municipal Staff and legal counsel with respect to the location of the Distribution System
16 within the Road Allowances.²⁰ To do so, Plateau held numerous meetings and
17 discussions with Municipal Staff and legal counsel to solicit their concerns. For example,
18 on April 15, 2010, Plateau met with Municipal Staff and Grey County staff and visited
19 the Project site to assess proposed pole line and road usage. The only concerns raised

¹⁸ As submitted in Exhibit B, Tab 4, Schedule 1, Page 1 of the Application.

¹⁹ For further detail, see Exhibit B, Tab 3, Schedule 1, Page 2, and Exhibit B, Tab 6, Schedule 1 of the Application.

²⁰ For further details about how Plateau addressed these concerns, see the summary of the negotiations of the Proposed Road Use Agreement in Exhibit B, Tab 5, Schedule 1 of the Application.

1 with respect to the location of the Distribution System within the Road Allowances were
2 addressed when Plateau agreed to reroute the Distribution System to avoid the
3 disturbance of trees and the use of an unopened road allowance.²¹ The Proposed Road
4 Use Agreement reflected this rerouting.

5 Consequently, on May 17, 2010, the Municipal Staff issued Report PL.10.34 (the “Staff
6 Report”, which is attached as Appendix E), recommending a form of the Proposed Road
7 Use Agreement to the Grey Highlands Committee of the Whole. The Committee tabled
8 the Staff Report on the same day. On June 28, 2010, in a letter to the Grey Highlands
9 Mayor and Members of Council (attached as Appendix F), the Grey Highlands Chief
10 Administrative Officer (“CAO”) also recommended that the Proposed Road Use
11 Agreement be approved by Grey Highlands Council (the “CAO Recommendation”).
12 However, on June 28, 2010, Grey Highlands Council rejected the CAO
13 Recommendation.²² Plateau had no other choice but to bring this Application.

14 **4.2 ADDRESSING ENVIRONMENTAL AND SOCIAL CONSIDERATIONS**

15 Various environmental and social considerations influenced Plateau’s decision on the
16 location of the Wind Turbines. This in turn helped determine the points of entry and exit
17 of the Distribution System into the Road Allowances.²³ For maps of environmental
18 constraints, see Appendix G. Notably, these decisions were made after an extensive
19 environmental assessment and community consultation process, which was substantially

²¹ See Exhibit B, Tab 4, Schedule 1, Page 1 of the Application.

²² For further details about these Council proceedings, see Exhibit B, Tab 5, Schedule 1, Pages 4-6 of the Application.

²³ See Exhibit B, Tab 3, Schedule 1, Page 2 of the Application.

completed on April 14, 2010, when Plateau filed its Statement of Completion of the Environmental Assessment. The environmental assessment process included numerous public open houses and environmental studies that focused not only on the potential impact of the Turbines, but also on the entire Project, including the Distribution System.²⁴

In addition, partially to mitigate potential negative environmental and visual effects associated with the Distribution System, Plateau has proposed to locate the Distribution System, where practicable, along previously built infrastructure, such as existing HONI poles, rather than to develop relatively undisturbed land or ecologically sensitive areas of the Road Allowances.²⁵ For a map of these joint use facilities, see Appendix H.

4.3 ADDRESSING REGULATORY, ECONOMIC AND TECHNICAL REQUIREMENTS

In determining where to locate the Distribution System within the Road Allowances, Plateau also considered applicable regulatory, economic and technical requirements.²⁶ For example, the Distribution System will be built in accordance with Electrical Safety Authority standards and will adhere to setbacks from features that might interfere with the Distribution System. Plateau has also proposed appropriate setbacks from abutting property lines, so that the Distribution System will not interfere with neighboring lands. Furthermore, for technical and economic reasons (as well as for the environmental and social reasons above), Plateau chose to employ joint use facilities, where possible.

²⁴ See Exhibit B, Tab 5, Schedule 1, Pages 2-4 of the Application.

²⁵ See Exhibit B, Tab 3, Schedule 1, Page 2 of the Application.

²⁶ The regulatory, economic and technical requirements discussed in this section 4.3 are also discussed in Exhibit B, Tab 3, Schedule 1, Page 2, Exhibit B, Tab 4, Schedule 1, Page 3 and Exhibit B, Tab 6, Schedule 1 of the Application.

1 Finally, Plateau has proposed the general 1.0-1.5 metre setback as it will, except in
2 certain circumstances that will be addressed once detailed engineering is complete,
3 minimize the need for tree cutting, road crossings and guy anchors on private properties,
4 and accommodate the flow of the ditch drainage.

5 **4.4 NO FEASIBLE ALTERNATIVES**

6 During the development of the Project, Plateau substantially mitigated all concerns raised
7 by Grey Highlands with respect to the location of the Distribution System within the
8 Road Allowances.²⁷ Because this submission continues to address those concerns, and
9 offers Grey Highlands numerous protections, Plateau's proposed location of the
10 Distribution System within the Road Allowances will cause no prejudice to Grey
11 Highlands.²⁸ Moreover, in deciding to use the Road Allowances, Plateau acted both
12 reasonably and prudently, respecting the interests of both Grey Highlands and its
13 residents. During the Project development, Plateau also conducted a detailed siting
14 process and developed comprehensive mitigation measures for the Project's
15 environmental and social impacts, many of which measures inform the proposed location
16 for the Distribution Facilities. Finally, the proposed location also ensures that the
17 Distribution System will meet applicable regulatory, economic and technical
18 requirements. Satisfying all of these criteria so limits the already limited options for
19 locating the Distribution System within the Road Allowances that there are no other
20 feasible alternatives.

²⁷ As submitted in Exhibit B, Tab 4, Schedule 1, Page 1, Exhibit B, Tab 5, Schedule 1 and Exhibit B, Tab 6, Schedule 1 of the Application

²⁸ For further detail see Exhibit B, Tab 6, Schedule 1 of the Application.

1 **5.0 ORDER SOUGHT**

2 Plateau therefore requests that the Board, pursuant to section 41(9) of the Electricity Act,
3 issue an order or orders establishing the location of the Distribution System within the
4 Road Allowances owned my Grey Highlands. More particularly, Plateau requests that
5 the Board issue an order or orders establishing such location in accordance with the
6 location and the terms and conditions proposed in Part 3.0 of this submission.

7

8 DATED at Toronto, Ontario, this 8th day of November, 2010.

9

10 All of which is respectfully submitted by:

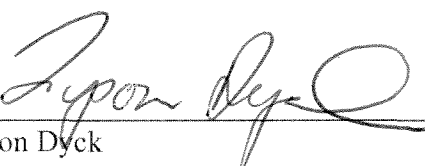
11 PLATEAU WIND INC.

12 By its counsel,

13

14

15



Tyson Dyck

16

APPENDIX A

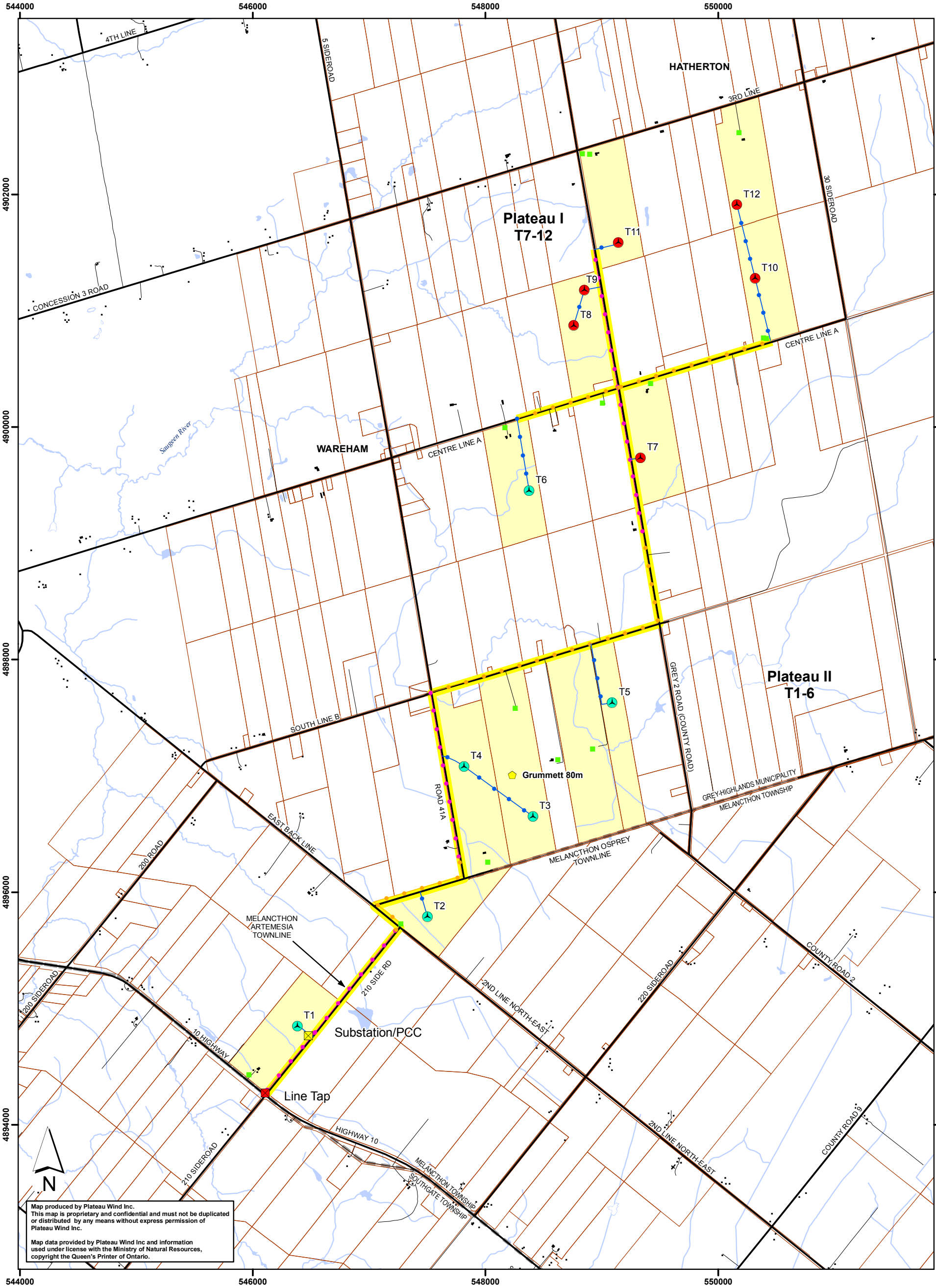
*List of Road Allowances within which
the Distribution System will be Located*

**LIST OF MUNICIPAL ROAD ALLOWANCES WITHIN WHICH THE
DISTRIBUTION SYSTEM WILL BE LOCATED**

1. 210 Sideroad Road (also known as Melancthon-Artermesia Townline), between Provincial Highway No. 10 and East Back Line.
PIN: 37265-0133(LT)
2. East Back Line from 210 Sideroad Road to Melancthon Artemisia Townline.
PIN: 37265-0136(LT) and 37265-0134(LT)
3. Melancthon Artemisia Townline from East Back Line to Road 41A.
PIN: 34151-0029(LT)
4. Melancthon Osprey Townline from Road 41A to the access road to Turbine #3.
PIN: 37260-0052(LT)
5. Road 41A, from the Melancthon Artemisia Townline to South Line B Road.
PIN: 37260-0199(LT)
6. South Line 'B' Road from Road 41A to Grey County Road 2.
PIN: 37260-0198(LT)
7. Centre Line A Road from County Road 2 westerly to Turbine #6 entrance.
PIN: 37260-0125(LT)
8. Centre Line A Road from County Road 2 easterly to Turbines #10 and #12 road entrance.
PIN: 37260-0125(LT)

APPENDIX B

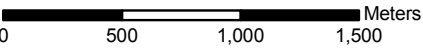
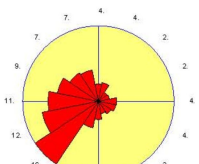
Map of Proposed Generation, Distribution and other Project Facilities



Map produced by Plateau Wind Inc.
This map is proprietary and confidential and must not be duplicated or distributed by any means without express permission of Plateau Wind Inc.

Map data provided by Plateau Wind Inc and information used under license with the Ministry of Natural Resources, copyright the Queen's Printer of Ontario.

- Legend**
- | | | |
|-------------------------------------|--------------------------|------------------------------------|
| Plateau I (Maxwell) | Land Parcel (First Base) | Joint Use on Existing HONI Lines |
| Plateau II (Hatherton) | Primary Road | Plateau Overhead Collector Line |
| Substation/Point of Common Coupling | Secondary Road | Plateau Underground Collector Line |
| Line Tap | Other Road (Stantec) | Roads Impacted by Cabling Route |
| Participant | River, Creek | |
| Other Building (OBM) | Waterbody | |
| MET Tower | Municipal Boundary | |
| Acquired (AQD) | | |



Plateau Wind Farm

Plateau I & II

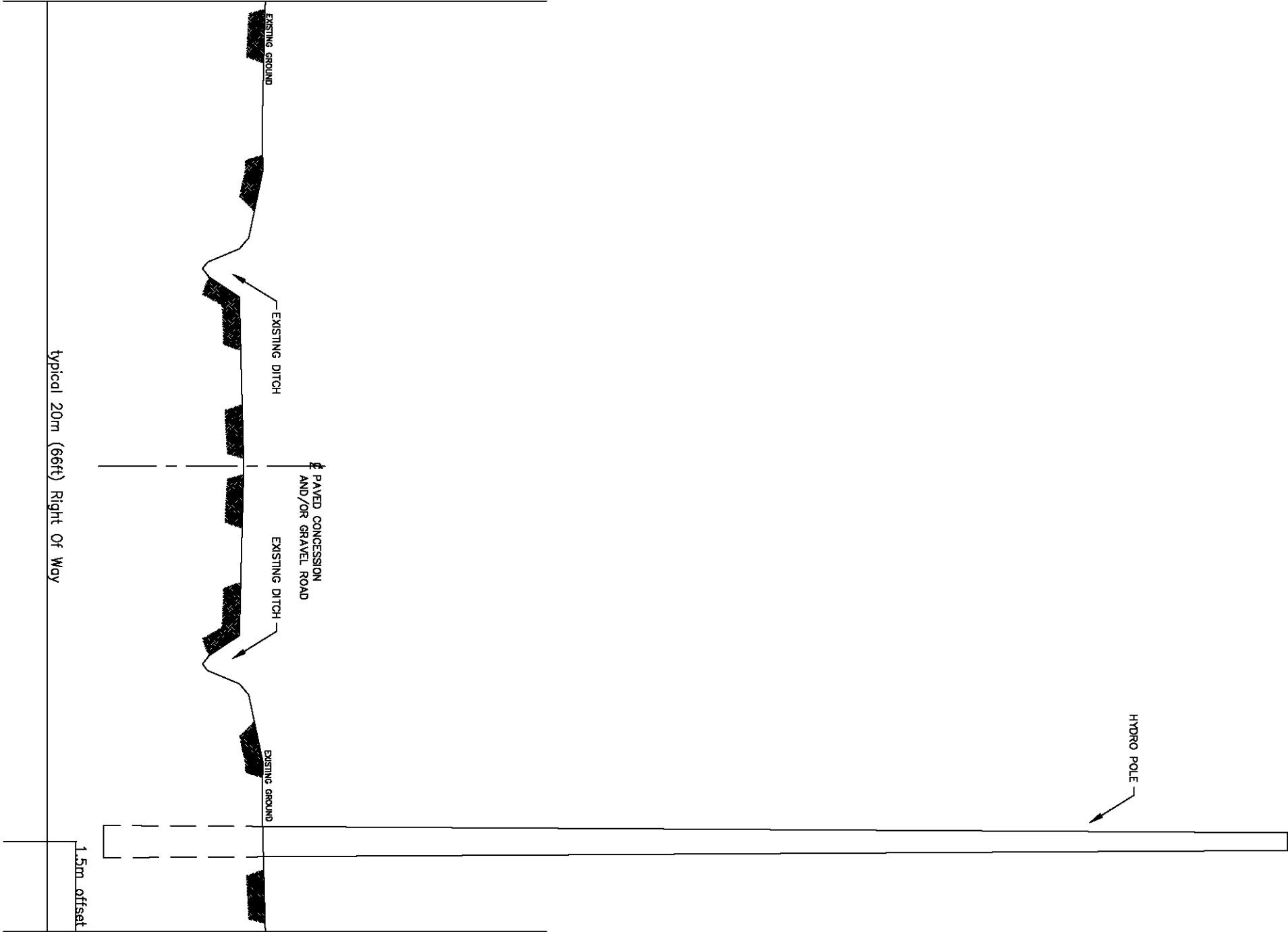
NAD83 - UTM Zone 17
Scale: 1:30,000 (11 x 17")

Revision 49 - Layout 23
Project: PLT - Plateau
July 27, 2010



APPENDIX C

***Cross-Sectional Drawing of Approximate Location of
Distribution System within Road Allowances***



APPENDIX D

Proposed Road Use Agreement

This Agreement and Transfer and Grant of Easement made this _____ day of _____, 2010.

BETWEEN:

The Corporation of the Municipality of Grey Highlands
(hereafter referred to as “**Grey Highlands**”)

OF THE FIRST PART

AND:

Plateau Wind Inc.
(hereinafter referred to as “**Plateau**”)

OF THE SECOND PART

WHEREAS Grey Highlands is the owner of or otherwise exercises jurisdiction over certain public rights-of-way, highways, streets, sidewalks, walkways, driveways, ditches, and associated grassy areas and the allowances therefore more particularly identified in Schedule “A” (collectively referred to as the “**Road Allowances**”);

AND WHEREAS Plateau wishes to confirm its statutory rights to use the Road Allowances as a distributor of electricity pursuant to the *Electricity Act* in order to install, construct, maintain, and operate certain infrastructure for the transmission and/or distribution of electricity, including but not limited to, overhead and/or underground distribution lines and poles and related connections, attachments, apparatus, equipment and facilities which Plateau may deem necessary or convenient in connection therewith (the “**Transmission Infrastructure**”) within such Road Allowances in relation to its development of one switching station and one wind farm designated as the Plateau Wind Farm (hereafter referred to as the “**Wind Farm**”);

AND WHEREAS Grey Highlands has agreed to confirm and grant such rights, privileges, interests, benefits and easement to Plateau to install, construct, maintain, and operate such Transmission Infrastructure over, along, across or under the Road Allowances, subject to the terms and conditions set forth below;

NOW THEREFORE, in consideration of payment of the sum of ONE THOUSAND SEVEN HUNDRED AND FIFTY DOLLAR (\$1,750.00) by Plateau to Grey Highlands, and, Plateau agreeing to make the contributions contemplated by the Contribution Agreement attached hereto as Schedule “C”, and the other good and valuable consideration as set forth below, the sufficiency of which consideration is hereby acknowledged, the parties hereto agree as follows:

1. Grey Highlands grants and transfers to Plateau for a period of forty (40) years from the date hereof (the “**Term**”), the right, privilege, interest, benefit and easement to enter upon the Road Allowances with such persons, vehicles, equipment and machinery necessary to place, replace, construct, re-construct, maintain, inspect, remove, enlarge, operate and repair the Transmission Infrastructure over, along, across, or under such Road Allowances (hereinafter collectively the “**Rights**”).
2. Plateau hereby acknowledges that the Rights shall not be exclusive and further acknowledges that Grey Highlands may have granted or may otherwise grant similar rights and privileges to another person, party, persons, or parties, at any time during the term of this Agreement. Plateau further acknowledges that nothing in this Agreement shall prohibit or restrict Grey Highlands from entering upon any of the Road Allowances and conducting work thereon for its own municipal purposes, in respect of which Grey Highlands shall not be required to provide notice to or seek approval from Plateau provided that such work does not adversely affect the Transmission Infrastructure or the Rights.
3. Plateau agrees that, in placing, replacing, constructing, reconstructing, maintaining, inspecting, removing, enlarging, operating, and/or repairing the Transmission Infrastructure or in otherwise undertaking any other work under and/or in conjunction with the Rights (the “**Work**”), it shall use all due care and diligence to ensure no unnecessary or unavoidable interference with the travelled portion of any of the Road

- Allowances or any pedestrian, vehicular, or other traffic thereon, or any use or operation thereof or any ditch or drain adjacent thereto. Plateau further agrees that all Work undertaken by Plateau shall be at Plateau's sole cost and expense, including any reinstatement, remediation or restoration of the Road Allowances required to be completed by Plateau pursuant to this Agreement.
4. Plateau agrees that, prior to the commencement of any Work, it shall file plans (Plateau I Site Layout Overall Plan Revision #__ YR __/MO/DD and the most recent individual Turbine Location Plot Plans) detailing the location, size, elevation and scope of such Work and the specifications thereof with Grey Highlands and/or the Saugeen Valley Conservation Authority and thereafter agrees to undertake any and all such Work in accordance with such plans and specifications. Grey Highlands requires the location of the Transmission Infrastructure to be 1.0 - 1.5 metres from the abutting property line where this location is reasonable and meets all applicable safety standards, to the satisfaction of the Municipality of Grey Highlands. Drawings will be submitted to Grey Highlands and/or the Saugeen Valley Conservation Authority not less than 10 business days prior to commencement of such Work. No Work will proceed in advance of written approval by Grey Highlands and/or the Conservation Authority. Notwithstanding the generality of the foregoing, Plateau agrees that it shall comply with any and all reasonable directions given by Grey Highlands and/or the Saugeen Valley Conservation Authority in respect of the Work.
 5. Plateau further agrees that, within thirty (30) days of completion of any Work, it shall deposit with Grey Highlands as constructed plans detailing the location and specifications of any Transmission Infrastructure overhead and/or underground distribution lines and poles and related equipment and facilities placed, constructed, or installed over, along, across or under the Road Allowances.
 6. Plateau agrees that, within fifteen (15) days of the date of execution of this Agreement, it shall arrange for and maintain liability insurance satisfactory to Grey Highlands, acting reasonably, insuring, for the joint benefits of Plateau, any lender(s) to Plateau and Grey Highlands as named insured, as against all claims, liabilities, losses, costs, damages or other expenses of every kind that Plateau, such lender(s) and Grey Highlands may incur or suffer as a consequence of personal injury, including death, and property damages arising out of or in any way incurred or suffered in connection with the placing, maintenance, operation or repair of the Transmission Infrastructure as contemplated by this Agreement, which insurance, at a minimum, shall provide coverage with limits of liability not less than FIVE MILLION DOLLARS (\$5,000,000.00) per incident at the commencement of the term hereof, and Plateau shall satisfy Grey Highlands, from time to time, that the premiums of such insurance have been paid and that such insurance is in full force and effect; and Plateau further agrees that, within seven (7) days of the effective date thereof, it shall deliver to Grey Highlands evidence of any changes to such policy of insurance as initiated by the involved insurer. In addition, Plateau shall maintain corporate umbrella liability coverage with a limit of liability of ONE HUNDRED MILLION DOLLARS (\$100,000,000) in aggregate for amounts in excess of the coverage required in the preceding sentences covering Plateau, and its corporate affiliates.
 7. Notwithstanding and without limiting any other term hereof, Plateau agrees and undertakes that it will place, replace, construct, reconstruct, maintain, inspect, enlarge, operate, and repair the Transmission Infrastructure located on any of the Road Allowances in accordance with and compliance with good engineering practices and, more specifically, in compliance with all federal, provincial, and municipal laws and by-laws.
 8. Notwithstanding and without limiting the generality of any term hereof, Plateau further agrees that, where practicable, with the exception of underground installations such as conduits containing connector lines and communication fibre, any of the Transmission Infrastructure placed, replaced, constructed, reconstructed, maintained, enlarged or otherwise installed pursuant to the Rights will not be located under the existing or contemplated travelled portion of any of the Road Allowances but shall be located adjacent to such existing or contemplated travelled portion of such Road Allowances. In

this same regard, Plateau further acknowledges that it shall consult with Grey Highlands as to the permitted location of any Transmission Infrastructure, which location shall be subject to Grey Highlands's initial approval.

9. Plateau agrees that any access to the Road Allowances and any Work to be undertaken pursuant to the Rights and for which a permit is required shall be undertaken and completed at such reasonable time or times as Grey Highlands may specify in such permit and, without limiting the generality of the foregoing or any other term hereof, all such Work shall be undertaken and completed in such a manner as contemplated pursuant to this Agreement so as not to cause unnecessary nuisance or damage to Grey Highlands or any user of that portion of the Road Allowance where such Work is to be conducted.
10. Plateau further agrees that, prior to commencement of any Work pursuant to the Rights, it shall obtain the approval of any federal, provincial, county or municipal government or agency (if any) required in connection with such Work and, furthermore, it shall notify any other person or body operating any equipment, installations, utilities or other facilities, within the Road Allowances or in the vicinity of the Road Allowances where such Work is to be conducted, of the details of the anticipated Work so as to minimize the potential interference with or damage to such existing equipment, installations, utilities, and other facilities by the said Work and so as to maintain the integrity and security thereof.
11. Plateau further agrees that, in the event that it becomes necessary to break, remove, or otherwise pierce the existing surface of any of the Road Allowances or any other municipal lands to undertake any Work pursuant to the Rights, it will in all cases repair, reinstate, restore, or remediate such surface to the same or better condition which existed prior to the commencement of such Work and, further thereto, Plateau also agrees that it shall thereafter, during the term of this Agreement, maintain that portion of such Road Allowances, at the sole expense of Plateau, by repairing any settling thereof to the satisfaction of Grey Highlands, acting reasonably. In the event that Plateau shall fail to repair, maintain, and reinstate such Road Allowances, as aforesaid, then in such case, Grey Highlands may undertake the same and charge the costs thereof to Plateau and Grey Highlands shall not be liable for any damage of any nature or kind howsoever caused by reason of such work undertaken by Grey Highlands as aforesaid, and Plateau hereby agrees to indemnify and save harmless Grey Highlands and all other concerned parties from any such claims or damages, save and except any direct damage arising from the negligence or wilful misconduct of Grey Highlands or those for whom it is at law responsible.
12. In the event that Plateau wishes to relocate any of the Transmission Infrastructure that has been previously installed, placed, or constructed in accordance with the Rights, it shall notify Grey Highlands of its intent to relocate in writing, and such relocation will thereafter be considered and administered by Grey Highlands, acting reasonably and with diligence, giving due consideration to the scope of the Works already undertaken by Plateau on the Road Allowances, provided that, in considering and administering such relocation, Grey Highlands shall be entitled to take into consideration any specific municipal or engineering interests affected by such relocation, including any additional facilities located within the Road Allowances.
13. If in the event Grey Highlands, acting reasonably and with diligence, during the course of constructing, reconstructing, changing, altering or improving the surface of any Road Allowance, deems it necessary to take up, remove or change the location of any part of the electrical transmission or distribution system, Plateau, upon notice to do so, shall remove and/or relocate, within a reasonable period of time, such part of the electrical system to a location approved by the Municipal Engineer or the designated staff. Plateau agrees to pay and assume all costs associated with the relocation of the subject electrical system.
14. Without limiting the generality of any other term of this Agreement, Plateau,
 - (a) Will not cut, trim, or otherwise interfere with any trees, brush, plants, or other vegetation in performing the Work unless prior written consent has been obtained

from the County of Grey and in accordance with the Grey County Forest Management By-law #3558-96 as amended. Where entire trees are removed, tree trunks will be removed to the grass line. Whenever reasonable, Plateau will retain any trees and remove upper portions of the same tree so that it does not interfere with any Transmission Infrastructure.

- (b) Upon request, whether by Grey Highlands by its officials or authorized agents, or otherwise, and at its sole expense, shall properly and accurately identify the location of any Transmission Infrastructure within Grey Highlands, such reports to identify the depth of the relevant portion of the Transmission Infrastructure, at anytime needed with advanced notice of 5 working days prior to Grey Highlands starting the work; and
 - (c) Within one hundred and twenty days (120) after the expiry of the term of this Agreement, to the satisfaction of Grey Highlands, acting reasonably, Plateau, at its own expense, shall remove any and all Transmission Infrastructure which Plateau continues to own as of the expiry of the term of this Agreement and thereafter, reinstate, restore, and remediate the Road Allowances or municipal lands so effected to at least the same condition that existed prior to the Work. In the event that Plateau fails to remove any of the Transmission Infrastructure or otherwise reinstate, restore, or remediate the Road Allowance or municipal lands effected thereby, then Grey Highlands will be at liberty to remove such Transmission Infrastructure and thereafter restore, reinstate, or remediate the affected municipal allowances and lands, without claim, recourse, or remedy by Plateau, the cost of which removal and restoration will be invoiced to Plateau and Plateau agrees to pay such invoice in strict accordance with the terms thereof.
15. Notwithstanding the requirement of prior notice to Grey Highlands for the right to commence any Work hereunder, including notice of repair to any Work or to the Transmission Infrastructure, and notice to cut, trim, or otherwise interfere with any trees, brush, plants, or other vegetation, Grey Highlands and Plateau agree that, in the event of an emergency in which Plateau requires immediate access to the Transmission Infrastructure, or to cut, trim, or otherwise interfere with any trees, brush, plants, or other vegetation, and after reasonable efforts to communicate with Grey Highlands, Plateau may enter upon the Road Allowances and/or municipal lands without prior notice to Grey Highlands in order to gain access to the Transmission Infrastructure in order to effect such repairs or to cut, trim, or otherwise interfere with any trees, brush, plants, or other vegetation, as are required to address such emergency and, in so doing, shall undertake and Work to the standards and as are otherwise required by the terms of this Agreement and to thereafter provide written notification and details and specifications of such repair to the Work to Grey Highlands on the next municipal business day and to thereafter file amended plans and drawings detailing such repairs as is otherwise required by this Agreement. For the purposes of this provision, "emergency" shall mean a sudden unexpected occasion or combination of events necessitating immediate action.
 16. In the event Plateau requires access to its turbine sites through opened or unopened road allowances not comprising the Road Allowances, it shall notify Grey Highlands of such request, in writing, and such request will thereafter be considered and administered by Grey Highlands, acting reasonably and with diligence, giving due consideration to the scope of the Works already undertaken by Plateau on the Road Allowances, provided that, in considering and administering such request, Grey Highlands shall be entitled to take into consideration any specific municipal or engineering interests affected by such access, including any additional facilities located within the Road Allowances. Grey Highlands confirms and acknowledges that to the extent it approves any such access route, it shall be incorporated into the definition of "Road Allowances" pursuant to this Agreement and Schedule "A" shall be amended accordingly and the provisions of the Agreement shall apply, mutatis mutandis, to the use of such access route.
 17. Plateau will indemnify and save harmless Grey Highlands from and against all claims, liabilities, losses, costs (including but not limited to legal costs as between a solicitor and his own client), damages, and other expenses of every kind that Grey Highlands may incur or suffer as a consequence of or in connection with the exercise of the Rights,

including but not limited to the placing, replacing, construction, reconstruction, placement, maintenance, operation, or repair of any Transmission Infrastructure by Plateau.

18. Plateau hereby acknowledges that its performance of the Work and operation of the Transmission Infrastructure is entirely at its own risk and Grey Highlands shall in no way and in no circumstances be responsible or liable to Plateau, its contractors, agents, or customers for any damage or losses in consequence thereof, regardless of how such damage or loss was suffered or incurred other than damage or loss arising out of the negligence of Grey Highlands.
19. Each of Grey Highlands and Plateau confirm and agree that in no event shall either party be liable to the other for any indirect or consequential damages pursuant to this Agreement.
20. Plateau acknowledges and agrees that the Rights and the placement, construction, installation, location, and operation of any Transmission Infrastructure are subject to the following:
 - (a) The right of free use of the Road Allowances by all persons or parties otherwise entitled to such use;
 - (b) The rights of the owners of the property adjoining any relevant Road Allowance to full access to and egress from their property and an adjacent right-of-way, highway, street, or walkway and the consequential right of such persons or parties to construct crossings and approaches from their property to any such right-of-way, highway, street, or walkway; and,
 - (c) The rights and privileges that Grey Highlands may have previously granted to any other person or party to such Road Allowance or lands.
21. The parties thereto agree as follows:

- (a) Any written notice provided for and contemplated by this Agreement will be delivered to the parties by hand or registered mail at the following address:

To Grey Highlands: The Municipality of Grey Highlands
206 Toronto St. S., Unit 1
P.O. Box 409
Markdale, Ontario N0C 1H0

Plateau: Plateau Wind Inc.
c/o International Power Canada, Inc.
105 Commerce Valley Drive West, Suite 410
Markham, Ontario L3T 7W3

Every such notice shall be deemed to have been received if personally delivered at the time of such delivery and if sent by prepaid registered mail, at the end of five (5) business days after the mailing thereof.

- (b) The parties acknowledge and agree that it is the intent of Plateau to transfer components of the Transmission Infrastructure to Hydro One Networks Inc. (HONI) for ultimate incorporation into HONI's transmission or distribution system. Upon Plateau transferring Transmission Infrastructure (or any components thereof) to HONI (or to any other licensed transmitter or distributor of electricity), Plateau shall be released from any and all obligations under this Agreement relating to the transferred Transmission Infrastructure from and after the date of the transfer. Plateau shall be entitled to assign this Agreement including all of the Rights to: (a) any person who is a transferee of the Wind Farm; and (b) to Plateau's lenders as security for Plateau's obligations to such lenders who shall be further entitled to assign this Agreement and the Rights in connection with an enforcement of their security. Grey Highlands hereby agrees

to execute and deliver an Acknowledgement and Consent Agreement in favour of any applicable Secured Party or assignee thereof, substantially in the form attached hereto as ***Schedule "B"***. Upon an assignment to a person who is the transferee of the Wind Farm, Plateau shall be thereupon released from any and all obligations under this Agreement from and after the date of such assignment, provided that Grey Highlands has consented to the assignment (which consent shall not be unreasonably withheld, delayed or conditioned) and provided that such assignee has by instrument in writing agreed with Grey Highlands to be bound by the provisions of this Agreement from and after the date of the assignment.

- (c) This Agreement and the Rights granted hereunder are and shall be of the same force and effect, to all intents and purposes, as a covenant running with the Road Allowances and these presents, including all of the covenants and conditions herein contained, shall extend, be binding upon and enure to the benefit of Grey Highlands and Plateau, and their respective successors and assigns, as the case may be. The parties hereby acknowledge and agree that the purpose of the Rights granted herein is for the transmission or distribution of electricity within the meaning of the *Electricity Act*.
- (d) Each obligation of the parties hereto contained in this Agreement, even though not expressed as a covenant, is considered for all purposes to be a covenant.
- (e) The invalidity or unenforceability of any provision or covenant contained in this Agreement shall affect the validity or enforceability of such provision or covenant only and any such invalid provision or covenant shall be deemed to be severable from the balance of this Agreement, which shall be enforced to the greatest extent permitted by law.
- (f) Each covenant in this Agreement is a separate and independent covenant and a breach of covenant by either party will not relieve the other party from its obligation to perform each of its covenants, except as otherwise provided herein.
- (g) No supplement, modification, amendment, or waiver of this Agreement shall be binding unless executed in writing by the parties.
- (h) Each of the parties covenants and agrees with the other that it will at all times hereafter execute and deliver, at the request of the other, all such further documents, deeds and instruments, and will do and perform all such acts as may be necessary to give full effect to the intent and meaning of this Agreement.
- (i) Whenever, and to the extent that Plateau will be unable to fulfil or will be delayed or restricted in the fulfillment of any obligation under any provision of this Agreement by reason of:
 - (i) strikes
 - (ii) lock-outs
 - (iii) war or acts of military authority
 - (iv) rebellion or civil commotion
 - (v) material or labour shortage not within the control of Plateau
 - (vi) fire or explosion
 - (vii) flood, wind, water, earthquake, or other casualty
 - (viii) any event or matter not wholly or mainly within the control of Plateau (other than lack of funds or any financial condition of the parties hereto); or,

(ix) acts of God

(in each case a “Force Majeure”)

not caused by the default or act of or omission by Plateau and not avoidable by the exercise or reasonable effort or foresight by it, then, so long as any such impediment exists, Plateau will be relieved from the fulfillment of such obligation and Grey Highlands will not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned. Plateau will be required and is entitled to perform such obligation within a period of time immediately following the discontinuance of such impediment that is equal to the period of time that such impediment existed. Plateau shall promptly notify Grey Highlands of the occurrence of any Force Majeure, which might prevent or delay the doing or performance of acts or things required to be done or performed by Plateau.

Plateau will use its reasonable efforts to remedy the occurrence and abridge, the period of Force Majeure.

- (j) Grey Highlands consents to the registration by Plateau of this Agreement on the title to the Road Allowances in the applicable land registry office(s).
- (k) Nothing contained in this Agreement shall abrogate or prejudice any statutory rights under any applicable laws including the *Ontario Energy Board Act*, 1998, or the *Electricity Act*.
- (l) This Agreement shall be governed by and construed in accordance with laws of Ontario and Canada applicable thereto.

IN WITNESS WHEREOF the parties here to af fix their ha nds and seal or corporate seals,
attested to by th e hand of their authorized offi cers, as the case m ay be, at
_____, Ontario this _____ day of _____, 2010.

SIGNED, SEALED AND DELIVERED
in the presence of:

| | |
|-------------|---|
| | THE CORPORATION OF THE MUNICIPALITY OF HIGHLANDS |
| GREY | |
| | Per: _____ |
| | Name: _____ |
| Title | : Mayor |
| Per: | _____ |
| | Name: _____ |
| Title | : Clerk |
| | I/We have the authority to bind the corporation |

| | |
|-------|---|
| | PLATEAU WIND INC. |
| | Per: _____ |
| | Name: _____ |
| Title | : |
| Per: | _____ |
| | Name: _____ |
| Title | : |
| | I/We have the authority to bind the corporation |

SCHEDULE A
DESCRIPTION OF ROAD ALLOWANCES

1. 210 Sideroad Road (also known as Melancthon-Artemesia Townline), between Provincial Highway No. 10 and East Back Line.
PIN: 37265-0133(LT)
2. East Back Line from 210 Sideroad Road to Melancthon Artemesia Townline.
PIN: 37265-0136(LT) and 37265-0134(LT)
3. Melancthon Artemesia Townline from East Back Line to Road 41A.
PIN: 34151-0029(LT)
4. Melancthon Osprey Townline from Road 41A to the access road to Turbine #3.
PIN: 37260-0052(LT)
5. Road 41A, from the Melancthon Artemesia Townline to South Line B Road.
PIN: 37260-0199(LT)
6. South Line 'B' Road from Road 41 A to Grey County Road 2.
PIN: 37260-0198(LT)
7. Centre Line A Road from County Road 2 westerly to Turbine #6 entrance.
PIN: 37260-0125(LT)
8. Centre Line A Road from County Road 2 easterly to Turbines #10 and #12 road entrance.
PIN: 37260-0125(LT)

NOTE: Plateau I Site Layout Overall Plan Revision #___ YR/MO/DD and the most recent individual Turbine Location Plot Plans to be attached.

SCHEDULE “B”

Acknowledgement and Consent Agreement

to an Agreement dated _____

between

THE CORPORATION OF THE MUNICIPALITY OF GREY HIGHLANDS

and

■

ACKNOWLEDGEMENT AND CONSENT AGREEMENT

This Owner’s Acknowledgement and Consent Agreement (“**Acknowledgement**”) made as of the • day of •, 2010 by and between THE CORPORATION OF THE MUNICIPALITY OF GREY HIGHLANDS (the “**Owner**”) and •, as agent (the “**Agent**”) pursuant to a credit agreement dated •, 2010 (as amended, supplemented, restated, extended, renewed or replaced from time to time, the “**Credit Agreement**”) between, Plateau Wind Inc. *inter alia*, _____ the Agent, • and the other financial institutions from time to time party thereto, as lenders (collectively, the “**Lenders**”) and •, in its capacity as collateral agent under the Agreement made as of •, 2010 (as amended, supplemented, restated, extended, renewed or replaced from time to time, the “**Collateral Agency Agreement**”) between Plateau Wind Inc., the persons who are, and from time to time become, parties thereto as guarantors (including •) and • (the “**Collateral Agent**”), as agent for the Secured Creditors (as defined therein).

WHEREAS:

- A. Plateau Wind Inc. (“**Plateau**”) entered into an Agreement and Transfer and Grant of Easement dated • registered against title to the lands described in the Agreement (the “**Lands**”) on • as Instrument No. • (the “**Agreement**”), pursuant to which the Owner has granted to Plateau, *inter alia*, certain rights in connection with access to municipal roads (the “**Rights**”) on the terms and conditions set out in the Agreement.
- B. Pursuant to, respectively, the Credit Agreement and the Collateral Agency Agreement (and documentation delivered in connection therewith), the Agent and Collateral Agent, respectively, have been granted charges, mortgages, assignments and security interests

(collectively, the “ **Security Interests**”) in all of the property, undertaking, assets, interests, rights and benefits of Plateau, including without limitation, all of Plateau’s right title, es tate, inte rest an d equity in the Ag reement, the Rights, all rights, privileges, benefits, agreements and interests th erein, and all im provements, equipment, structures, chattels, personal property and appurtenance thereto in, on, under or appurtenant to the Lands (collectively, the “**Collateral**”).

- C. The Owner has agreed to execute and deliver this Acknowledgement to the Agent and the Collateral Agent pursuant to the provisions of the Agreement.

NOW THEREFORE in consideration of the sum of Two Dollars (\$2) paid by each of the Agent and the Collateral Agent to the Owner and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, th e Owner hereby acknowledges, covenants and confirms to each of the Agent and the Collateral Agent, as follows:

1. The Owner consents to the creation of the Secu rity Interests and the registra tion thereof against the collateral in the applicable land registry office.
2. The Owner acknowledges that, following an ev ent of default by Plateau under the Credit Agreement or an ev ent of default as defined in the Collateral Agency A greement (each, and “**Event of Default**”), the Collate ral Agent, the Lenders, the Collater al Agent or the Secured Creditors or any nom inee or designe e thereof or any receiver or receiver-manager (collectively, an “ **Agent Party**”) sha ll have th e right to enf orce the Se curity Interests, including, without limitation, the right to enjoy and enforce the rights of Plateau under the Agreem ent and, in the course of th e enforcem ent of such rights, shall be entitled to sell, ass ighn, transf er, negotia te or otherwise dispose of the Agreement, provided that in exercising such rights the Ag ent Party shall assum e all of the liabilities and obligations of Plateau under or in connection with the Agreement.
3. The Owner agrees:
 - (a) to give each of the Agent and the Collateral Agent written notice (at the addresses below) of any default by Plateau under the Agreem ent, concurrent with the delivery of such notice to Plateau;
 - (b) that if Plateau fails to cure th e breach or default id entified in such n otice, the Agent, the Collateral Agent or any other Agent Party may, but in no way shall be obligated to, cure such d efault and the Owner shall not term inate the Agreem ent or exercise any other rem edy under the Ag reement if the Agent, the Collateral Agent or any other Agent Party, within 90 days of the date of the Collateral Agent’s receipt of the written no tice refe rred to in section 3(a) above, is proceeding to cure such breach or default;
 - (c) that if any default by P lateau under the Ag reement is not of a curable nature, it shall not exercise any right to term inate if the Agent, the Collate ral Agent or any other Agen t Party or a nom inee thereof a grees to as sume the rights and obligations of Plateau under the Agreem ent to the extent capable of being assumed;
 - (d) that if the Agreem ent is term inated or surrendered for any re ason prior to the expiry of the term thereof, whether as a result of a default by Plateau thereunder or otherwise, the Owner shall give notice of such termination to each of the Agent and the Collateral Agent and shall offer to enter in to a new or replacem ent agreement (the “**Replacement Agreement**”) with the Agent, the Collateral Agent or another Agent Party or other person de signated by, as applicable, the Agent, the Collateral Agent or other Agent Party, which Replacement Agreement shall be upon the same terms and conditions as the Agreement; and

- (e) that if within 30 days of receipt of the notice referred to in item section 3(d) above, the Collateral Agent or other Agent Party requests a Replacement Agreement, the Owner shall enter into such Replacement Agreement with, as applicable, the Collateral Agent or other Agent Party or other person designated by the Collateral Agent or other Agent Party. Notwithstanding any of the foregoing, the Agent Party confirms and acknowledges that the Owner shall not be liable to the Agent Party for the non-delivery of any notice pursuant to section 3(a) above.
 - (f) although the Owner and Plateau may modify the Agreement from time to time between themselves, the Collateral Agent will not be bound by any material adverse modifications made without the Collateral Agent's prior written consent; and
 - (g) the Owner will, at any time and from time to time, upon not less than five (5) business days' prior request by the Collateral Agent, deliver to the Collateral Agent a statement in writing certifying that: (i) the Agreement is in full force and full effect unamended (or setting out any such amendments), (ii) all amounts owing and payable under the Agreement have been paid (or setting out any unpaid amounts), and (iii) to the Owner's knowledge, Plateau is not in default of its obligations under the Agreement in any material respect (or setting out any such defaults).
4. The Agent covenants and agrees with the Owner that during any period the Agent exercises its Security Interests and takes possession of Plateau's interest in the Lands (either directly or indirectly through an Agent Party) or takes control of or manages Plateau's interest in the Lands or the Collateral or any part thereof, or forecloses upon the Agreement, or succeeds to the interest of Plateau under the Agreement, it will assume all of the obligations of Plateau under or in connection with the Agreement during such period to the extent that they may be performed by the Collateral Agent, and thereafter observe and perform all of Plateau's obligations under the Agreement to the extent that they may be performed by the Collateral Agent.
 5. The Collateral Agent covenants and agrees with the Owner that during any period the Collateral Agent exercises its Security Interests and takes possession of Plateau's interest in the Lands (either directly or indirectly through an Agent Party) or takes control of or manages Plateau's interest in the Lands or the Collateral or any part thereof, or forecloses upon the Agreement, or succeeds to the interest of Plateau under the Agreement, it will assume all of the obligations of Plateau under or in connection with the Agreement during such period to the extent that they may be performed by the Collateral Agent, and thereafter observe and perform all of Plateau's obligations under the Agreement.
 6. The Owner confirms and acknowledges that in the event that the Collateral Agent or any other Agent Party assigns, transfers or otherwise disposes of its interest in the Agreement pursuant to its Security Interests (a "**Transfer**"), it will not unreasonably withhold, delay or condition its consent to the Transfer, and, upon such assignee or transferee covenanting and agreeing in writing with the Owner to assume and perform all of the covenants and obligations of Plateau pursuant to the Agreement, each of the Collateral Agent and the other Agent Party shall, thereupon and without further agreement, be freed and relieved of all liability with respect to the Agreement from and after the effective date of such Transfer.
 7. All notices hereunder shall be in writing, sent by registered mail, return receipt requested or by telecopy, to the respective parties and the addresses set forth on the signature page or at such other address as the receiving party shall designate in writing.
 8. This Acknowledgement may be executed in any number of counterparts, shall be governed by the laws of the Province of Ontario and binds and inures to the benefit of the Collateral Agent, and its successors and assigns and shall be binding upon the heirs, personal representatives, successors and assigns of the Owner.

9. Each of the parties hereto agrees to do, make and execute all such further documents, agreements, assurances, acts, matters and things and take such further action as may be reasonably required by any other party hereto in order to more effectively carry out the true intent of this Acknowledgement.
10. The provisions of this Acknowledgement shall continue in effect until the Owner shall have received the written certification of the Collateral Agent that all amounts advanced, and obligations arising, under the Credit Agreement and all Obligations (as defined in the Collateral Agency Agreement) have been paid and performed in full.

IN WITNESS WHEREOF, this Acknowledgement is executed by the parties.

ADDRESS FOR NOTICE

■

THE CORPORATION OF THE
MUNICIPALITY OF GREY HIGHLANDS

By: _____
■, Mayor

By: _____
■, Clerk

ADDRESS FOR NOTICE

[■]

■

By: _____
Name:
Title:

By: _____
Name:
Title

We have authority to bind the corporation.

SCHEDULE "C"

to an Agreement and Transfer and Grant of Easement made ■ day of ■, 2010 between The Corporation of the Municipality of Grey Highlands and Plateau Wind Inc.

CONTRIBUTION AGREEMENT

In this Schedule:

1. Definitions

"**Business Day**" means any day except Saturday, Sunday or a statutory holiday in the Province of Ontario;

"**Commercial Operation Date**" has the meaning set out in the renewable energy agreement dated ■ made between Plateau and the Ontario Power Authority in respect of the Project.

"**IESO**" means the Independent Electricity System Operator, or its successor, established pursuant to the *Electricity Act*, 1998, as amended from time to time;

"**Termination Date**" means the date upon which a Wind Turbine permanently ceases to generate electricity which is sold into the IESO controlled grid;

"**Wind Turbine**" means a wind turbine generator located in the Project.

2. All amounts are stated, and all payments will be paid, in Canadian dollars.
3. No amendment or waiver of this Agreement will be binding unless executed in writing by the party to be bound thereby. No waiver of any provision of this Agreement will constitute a waiver of any other provision nor will any waiver of any provision of this Agreement constitute a continuing waiver unless otherwise expressly provided.
4. Plateau will pay to Grey Highlands: (i) the sum of Twenty-Five Thousand Dollars (\$25,000.00) within 10 business days of execution of this Agreement; and (ii) annually, in arrears, a contribution of Fifty-Thousand Dollars (\$50,000.00) from the Commercial Operation Date to the Termination Date. The annual contributions will commence to be paid on the first anniversary of the Commercial Operation Date and each year thereafter, and the last annual contribution will be made on the Termination Date. The final contribution will be pro-rated on a monthly basis for a part year, if applicable.
5. Plateau acknowledges that the annual contributions to be made pursuant to Section 4 are in addition to, and not in lieu of, real property taxes otherwise payable to Grey Highlands.
6. If Wind Turbines are sold or transferred by Plateau, Plateau will be relieved of its obligations under this Contribution Agreement to the extent that they are not in default and the transferee assumes fully and to Grey Highlands' complete satisfaction the obligations of Plateau hereunder and a written agreement to this effect executed by the transferee in favour of Grey Highlands is delivered to Grey Highlands.

APPENDIX E

Grey Highlands Municipal Staff Report PL.10.34

Municipality of Grey Highlands
Building Department
Report PL. 10.34
May 17, 2010

To: Committee of the Whole

Re: International Power Canada, Incorporated Road Agreement

1.0 Recommendation:

RESOLVE, That Committee of the Whole receive Planning Report PL.10.34 and forward to Council for approval a By-law authorizing the Mayor and Municipal Clerk to enter into a Road Agreement between the Municipality and International Power Canada, Incorporated in order to utilize the Road Allowances as a distributor of electricity pursuant to the Electricity Act.

2.0 Background:

Plateau Wind Project I and II consist of a total of eleven (11) 1.5 MW large scale wind turbines within the Municipality of Grey Highlands. A total of ten (10) separate land parcels are involved in the development proposed to contain the aforementioned wind turbines, transmission lines, a meteorological tower and a switching station. The energy produced from the project is intended to be sold to the Ontario Power Authority under the Renewable Energy Standard Offer Contract and in fact IPC has now been awarded a FIT Contract (Feed in Tariff). This project is the first renewable energy project in the Municipality and is classified as a Category B Project under Ontario Regulation 116/01.

IPC is now in the midst of the Renewable Energy Approval process and have received a FIT contract (Feed- In-Tariff).

3.0 Update

A Zoning By-law Amendment Application for the project was received by the Municipality on Tuesday, April 14th, 2009. It should also be recognized that this application represented the first project to be assessed against the policies established by the Municipality in Official Plan No. 10 and the provisions of Zoning By-law No. 2008-56. A review of the documents was completed by the municipality, and comments were forwarded to IBI Group. In response to these comments the proponent then submitted amended Noise and Visual reports as well as amended engineering comments relating to the use of the Municipal Road Allowance.

As you are aware, as the Zoning By-law application for the Plateau was being processed under the Planning Act at the municipal level, the province was moving forward with legislation entitled the Green Energy Act.

Under the Green Energy Act, the applicant requires a Road Agreement signed with the Municipality dealing with the rights to use the Road Allowance as a distributor of electricity pursuant to the Electricity Act in order to install, construct, maintain and operate certain infrastructure for the transmission and/or distribution of electricity, including but not limited to overhead and/or underground distribution lines and poles and related connections, attachments, apparatus, equipment and facilities within the Road Allowances in relation to its development of one switching station and one wind farm designated as Plateau I – Grey Highlands Wind Farm.

Municipal Staff, County Staff and IPC representatives have met to discuss the draft Agreement. There has also been a site visit with IPC to visually inspect the road network and tower locations. The Municipalities solicitor has also reviewed the draft Agreement and has provided comments. All comments from the

Municipality of Grey Highlands
Building Department
Report PL. 10.34

May 17, 2010

Municipal Solicitor and Staff and Agencies have now been incorporated into the draft attached to this report.

The Agreement is a Road Agreement and does not pertain to any planning approvals or aspect of the operation of the Wind Farm. Staff has also confirmed that the County Agreement has not yet been taken to TAPS, however it would be expected that within the next month or two, it would be placed on a TAPS agenda.

4.0 Conclusion:

It is recommended that based on an internal review of the draft Agreement that staff is generally satisfied that the Agreement is suitable.



Kristine Loft BES BAA MCIP RPP
The Jones Consulting Group Ltd.

2010.05.17

Date

Attachment 1 – Draft Agreement

Attachment 2 – Site Plan of Area and Turbine Locations

Attachment 3 – Correspondence from Preserve Grey Highlands Citizen Alliance (April 28, 2010)

This Agreement and Transfer and Grant of Easement made this _____ day of _____, 2010.

BETWEEN:

The Corporation of the Municipality of Grey Highlands
(hereafter referred to as "**Grey Highlands**")

OF THE FIRST PART

AND:

Plateau Wind Inc.
(hereinafter referred to as "**Plateau**")

OF THE SECOND PART

WHEREAS Grey Highlands is the owner of or otherwise exercises jurisdiction over certain public rights-of-way, highways, streets, sidewalks, walkways, driveways, ditches, and associated grassy areas and the allowances therefore more particularly identified in Schedule "A" (collectively referred to as the "**Road Allowances**");

AND WHEREAS Plateau wishes to confirm its statutory rights to use the Road Allowances as a distributor of electricity pursuant to the *Electricity Act* in order to install, construct, maintain, and operate certain infrastructure for the transmission and/or distribution of electricity, including but not limited to, overhead and/or underground distribution lines and poles and related connections, attachments, apparatus, equipment and facilities which Plateau may deem necessary or convenient in connection therewith (the "**Transmission Infrastructure**") within such Road Allowances in relation to its development of one switching station and one wind farm designated as the Plateau Wind Farm (hereafter referred to as the "**Wind Farm**");

AND WHEREAS Grey Highlands has agreed to confirm and grant such rights, privileges, interests, benefits and easement to Plateau to install, construct, maintain, and operate such Transmission Infrastructure over, along, across or under the Road Allowances, subject to the terms and conditions set forth below;

NOW THEREFORE, in consideration of payment of the sum of ONE THOUSAND SEVEN HUNDRED AND FIFTY DOLLAR (\$1,750.00) by Plateau to Grey Highlands and the other good and valuable consideration as set forth below, the sufficiency of which consideration is hereby acknowledged, the parties hereto agree as follows:

1. Grey Highlands grants and transfers to Plateau for a period of forty (40) years from the date hereof (the "**Term**"), the right, privilege, interest, benefit and easement to enter upon the Road Allowances with such persons, vehicles, equipment and machinery necessary to place, replace, construct, re-construct, maintain, inspect, remove, enlarge, operate and repair the Transmission Infrastructure over, along, across, or under such Road Allowances (hereinafter collectively the "**Rights**").
2. Plateau hereby acknowledges that the Rights shall not be exclusive and further acknowledges that Grey Highlands may have granted or may otherwise grant similar rights and privileges to another person, party, persons, or parties, at any time during the term of this Agreement. Plateau further acknowledges that nothing in this Agreement shall prohibit or restrict Grey Highlands from entering upon any of the Road Allowances and conducting work thereon for its own municipal purposes, in respect of which Grey Highlands shall not be required to provide notice to or seek approval from Plateau provided that such work does not adversely affect the Transmission Infrastructure or the Rights.
3. Plateau agrees that, in placing, replacing, constructing, reconstructing, maintaining, inspecting, removing, enlarging, operating, and/or repairing the Transmission Infrastructure or in otherwise undertaking any other work under and/or in conjunction with the Rights (the "**Work**"), it shall use all due care and diligence to ensure no unnecessary or unavoidable interference with the travelled portion of any of the Road Allowances or any pedestrian, vehicular, or other traffic thereon, or any use or operation thereof or any ditch or drain adjacent thereto. Plateau further agrees that all Work undertaken by Plateau shall be at Plateau's sole cost and expense, including any re-

instatement, remediation or restoration of the Road Allowances required to be completed by Plateau pursuant to this Agreement.

4. Plateau agrees that, prior to the commencement of any Work, it shall file plans (Plateau I Site Layout Overall Plan Revision #__ YR/MO/DD and the most recent individual Turbine Location Plot Plans) detailing the location, size, elevation and scope of such Work and the specifications thereof with Grey Highlands and/or the Saugeen Valley Conservation Authority and thereafter agrees to undertake any and all such Work in accordance with such plans and specifications. Grey Highlands requires the location of the Transmission Infrastructure to be 1.0 - 1.5 metres from the abutting property line where this location is reasonable and meets all applicable safety standards, to the satisfaction of the Municipality of Grey Highlands. Drawings will be submitted to Grey Highlands and/or the Saugeen Valley Conservation Authority not less than 10 business days prior to commencement of such Work. No Work will proceed in advance of written approval by Grey Highlands and/or the Conservation Authority. Notwithstanding the generality of the foregoing, Plateau agrees that it shall comply with any and all reasonable directions given by Grey Highlands and/or the Saugeen Valley Conservation Authority in respect of the Work.
5. Plateau further agrees that, within thirty (30) days of completion of any Work, it shall deposit with Grey Highlands as constructed plans detailing the location and specifications of any Transmission Infrastructure overhead and/or underground distribution lines and poles and related equipment and facilities placed, constructed, or installed over, along, across or under the Road Allowances.
6. Plateau agrees that, within fifteen (15) days of the date of execution of this Agreement, it shall arrange for and maintain liability insurance satisfactory to Grey Highlands, acting reasonably, insuring, for the joint benefits of Plateau, any lender(s) to Plateau and Grey Highlands as named insured, as against all claims, liabilities, losses, costs, damages or other expenses of every kind that Plateau, such lender(s) and Grey Highlands may incur or suffer as a consequence of personal injury, including death, and property damages arising out of or in any way incurred or suffered in connection with the placing, maintenance, operation or repair of the Transmission Infrastructure as contemplated by this Agreement, which insurance, at a minimum, shall provide coverage with limits of liability not less than FIVE MILLION DOLLARS (\$5,000,000.00) per incident at the commencement of the term hereof, and Plateau shall satisfy Grey Highlands, from time to time, that the premiums of such insurance have been paid and that such insurance is in full force and effect; and Plateau further agrees that, within seven (7) days of the effective date thereof, it shall deliver to Grey Highlands evidence of any changes to such policy of insurance as initiate by the involved insurer.
7. Notwithstanding and without limiting any other term hereof, Plateau agrees and undertakes that it will place, replace, construct, reconstruct, maintain, inspect, enlarge, operate, and repair the Transmission Infrastructure located on any of the Road Allowances in accordance with and compliance with good engineering practices and, more specifically, in compliance with all federal, provincial, and municipal laws and by-laws.
8. Notwithstanding and without limiting the generality of any term hereof, Plateau further agrees that, where practicable, with the exception of underground installations such as conduits containing connector lines and communication fibre, any of the Transmission Infrastructure placed, replaced, constructed, reconstructed, maintained, enlarged or otherwise installed pursuant to the Rights will not be located under the existing or contemplated travelled portion of any of the Road Allowances but shall be located adjacent to such existing or contemplated travelled portion of such Road Allowances. In this same regard, Plateau further acknowledges that it shall consult with Grey Highlands as to the permitted location of any Transmission Infrastructure, which location shall be subject to Grey Highlands's initial approval.
9. Plateau agrees that any access to the Road Allowances and any Work to be undertaken pursuant to the Rights and for which a permit is required shall be undertaken and completed at such reasonable time or times as Grey Highlands may specify in such permit and, without limiting the generality of the foregoing or any other term hereof, all such Work shall be undertaken and completed in such a manner as contemplated pursuant

to this Agreement so as not to cause unnecessary nuisance or damage to Grey Highlands or any user of that portion of the Road Allowance where such Work is to be conducted.

10. Plateau further agrees that, prior to commencement of any Work pursuant to the Rights, it shall obtain the approval of any federal, provincial, county or municipal government or agency (if any) required in connection with such Work and, furthermore, it shall notify any other person or body operating any equipment, installations, utilities or other facilities, within the Road Allowances or in the vicinity of the Road Allowances where such Work is to be conducted, of the details of the anticipated Work so as to minimize the potential interference with or damage to such existing equipment, installations, utilities, and other facilities by the said Work and so as to maintain the integrity and security thereof.
11. Plateau further agrees that, in the event that it becomes necessary to break, remove, or otherwise pierce the existing surface of any of the Road Allowances or any other municipal lands to undertake any Work pursuant to the Rights, it will in all cases repair, reinstate, restore, or remediate such surface to the same or better condition which existed prior to the commencement of such Work and, further thereto, Plateau also agrees that it shall thereafter, during the term of this Agreement, maintain that portion of such Road Allowances, at the sole expense of Plateau, by repairing any settling thereof to the satisfaction of Grey Highlands, acting reasonably. In the event that Plateau shall fail to repair, maintain, and reinstate such Road Allowances, as aforesaid, then in such case, Grey Highlands may undertake the same and charge the costs thereof to Plateau and Grey Highlands shall not be liable for any damage of any nature or kind howsoever caused by reason of such work undertaken by Grey Highlands as aforesaid, and Plateau hereby agrees to indemnify and save harmless Grey Highlands and all other concerned parties from any such claims or damages, save and except any direct damage arising from the negligence or wilful misconduct of Grey Highlands or those for whom it is at law responsible.
12. In the event that Plateau wishes to relocate any of the Transmission Infrastructure that has been previously installed, placed, or constructed in accordance with the Rights, it shall notify Grey Highlands of its intent to relocate in writing, and such relocation will thereafter be considered and administered by Grey Highlands, acting reasonably and with diligence, giving due consideration to the scope of the Works already undertaken by Plateau on the Road Allowances, provided that, in considering and administering such relocation, Grey Highlands shall be entitled to take into consideration any specific municipal or engineering interests affected by such relocation, including any additional facilities located within the Road Allowances.
13. If in the event Grey Highlands, acting reasonable and with diligence, during the course of constructing, reconstructing, changing, altering or improving the surface of any Road Allowance, deems it necessary to take up, remove or change the location of any part of the electrical transmission or distribution system, Plateau, upon notice to do so, shall remove and/or relocate, within a reasonable period of time, such part of the electrical system to a location approve by the Municipal Engineer or the designated staff. Plateau agrees to pay and assume all costs associated with the relocation of the subject electrical system.
14. Without limiting the generality of any other term of this Agreement, Plateau,
 - (a) Will not cut, trim, or otherwise interfere with any trees, brush, plants, or other vegetation in performing the Work unless prior written consent has been obtained from the County of Grey and in accordance with the Grey County Forest Management By-law #3558-96 as amended. Where entire trees are removed, tree trunks will be removed to the grass line. Whenever reasonable, Plateau will retain any trees and remove upper portions of the same tree so that it does not interfere with any Transmission Infrastructure.
 - (b) Upon request, whether by Grey Highlands by its officials or authorized agents, or otherwise, and at its sole expense, shall properly and accurately identify the location of any Transmission Infrastructure within Grey Highlands, such reports to identify the depth of the relevant portion of the Transmission Infrastructure, at

anytime needed with advanced notice of 5 working days prior to Grey Highlands starting the work; and

- (c) Within one hundred and twenty days (120) after the expiry of the term of this Agreement, to the satisfaction of Grey Highlands, acting reasonably, Plateau, at its own expense, shall remove any and all Transmission Infrastructure which Plateau continues to own as of the expiry of the term of this Agreement and thereafter, reinstate, restore, and remediate the Road Allowances or municipal lands so effected to at least the same condition that existed prior to the Work. In the event that Plateau fails to remove any of the Transmission Infrastructure or otherwise reinstate, restore, or remediate the Road Allowance or municipal lands effected thereby, then Grey Highlands will be at liberty to remove such Transmission Infrastructure and thereafter restore, reinstate, or remediate the affected municipal allowances and lands, without claim, recourse, or remedy by Plateau, the cost of which removal and restoration will be invoiced to Plateau and Plateau agrees to pay such invoice in strict accordance with the terms thereof.
15. Notwithstanding the requirement of prior notice to Grey Highlands for the right to commence any Work hereunder, including notice of repair to any Work or to the Transmission Infrastructure, and notice to cut, trim, or otherwise interfere with any trees, brush, plants, or other vegetation, Grey Highlands and Plateau agree that, in the event of an emergency in which Plateau requires immediate access to the Transmission Infrastructure, or to cut, trim, or otherwise interfere with any trees, brush, plants, or other vegetation, and after reasonable efforts to communicate with Grey Highlands, Plateau may enter upon the Road Allowances and/or municipal lands without prior notice to Grey Highlands in order to gain access to the Transmission Infrastructure in order to effect such repairs or to cut, trim, or otherwise interfere with any trees, brush, plants, or other vegetation, as are required to address such emergency and, in so doing, shall undertake and Work to the standards and as are otherwise required by the terms of this Agreement and to thereafter provide written notification and details and specifications of such repair to the Work to Grey Highlands on the next municipal business day and to thereafter file amended plans and drawings detailing such repairs as is otherwise required by this Agreement. For the purposes of this provision, "emergency" shall mean a sudden unexpected occasion or combination of events necessitating immediate action.
16. In the event Plateau requires access to its turbine sites through opened or unopened road allowances not comprising the Road Allowances, it shall notify Grey Highlands of such request, in writing, and such request will thereafter be considered and administered by Grey Highlands, acting reasonably and with diligence, giving due consideration to the scope of the Works already undertaken by Plateau on the Road Allowances, provided that, in considering and administering such request, Grey Highlands shall be entitled to take into consideration any specific municipal or engineering interests affected by such access, including any additional facilities located within the Road Allowances. Grey Highlands confirms and acknowledges that to the extent it approves any such access route, it shall be incorporated into the definition of "Road Allowances" pursuant to this Agreement and Schedule "A" shall be amended accordingly and the provisions of the Agreement shall apply, mutatis mutandis, to the use of such access route.
17. Plateau will indemnify and save harmless Grey Highlands from and against all claims, liabilities, losses, costs (including but not limited to legal costs as between a solicitor and his own client), damages, and other expenses of every kind that Grey Highlands may incur or suffer as a consequence of or in connection with the exercise of the Rights, including but not limited to the placing, replacing, construction, reconstruction, placement, maintenance, operation, or repair of any Transmission Infrastructure by Plateau.
18. Plateau hereby acknowledges that its performance of the Work and operation of the Transmission Infrastructure is entirely at its own risk and Grey Highlands shall in no way and in no circumstances be responsible or liable to Plateau, its contractors, agents, or customers for any damage or losses in consequence thereof, regardless of how such damage or loss was suffered or incurred other than damage or loss arising out of the negligence of Grey Highlands.

19. Each of Grey Highlands and Plateau confirm and agree that in no event shall either party be liable to the other for any indirect or consequential damages pursuant to this Agreement.
20. Plateau acknowledges and agrees that the Rights and the placement, construction, installation, location, and operation of any Transmission Infrastructure are subject to the following:
 - (a) The right of free use of the Road Allowances by all persons or parties otherwise entitled to such use;
 - (b) The rights of the owners of the property adjoining any relevant Road Allowance to full access to and egress from their property and an adjacent right-of-way, highway, street, or walkway and the consequential right of such persons or parties to construct crossings and approaches from their property to any such right-of-way, highway, street, or walkway; and,
 - (c) The rights and privileges that Grey Highlands may have previously granted to any other person or party to such Road Allowance or lands.
21. The parties thereto agree as follows:

- (a) Any written notice provided for and contemplated by this Agreement will be delivered to the parties by hand or registered mail at the following address:

To Grey Highlands: The Municipality of Grey Highlands
206 Toronto St. S., Unit 1
P.O. Box 409
Markdale, Ontario N0C 1H0

Plateau: Plateau Wind Inc.
c/o International Power Canada, Inc.
105 Commerce Valley Drive West, Suite 410
Markham, Ontario L3T 7W3

Every such notice shall be deemed to have been received if personally delivered at the time of such delivery and if sent by prepaid registered mail, at the end of five (5) business days after the mailing thereof.

- (b) The parties acknowledge and agree that it is the intent of Plateau to transfer components of the Transmission Infrastructure to Hydro One Networks Inc. (HONI) for ultimate incorporation into HONI's transmission or distribution system. Upon Plateau transferring Transmission Infrastructure (or any components thereof) to HONI (or to any other licensed transmitter or distributor of electricity), Plateau shall be released from any and all obligations under this Agreement relating to the transferred Transmission Infrastructure from and after the date of the transfer. Plateau shall be entitled to assign this Agreement including all of the Rights to: (a) any person who is a transferee of the Wind Farm; and (b) to Plateau's lenders as security for Plateau's obligations to such lenders who shall be further entitled to assign this Agreement and the Rights in connection with an enforcement of their security. Grey Highlands hereby agrees to execute and deliver an Acknowledgement and Consent Agreement in favour of any applicable Secured Party or assignee thereof, substantially in the form attached hereto as **Schedule "B"**. Upon an assignment to a person who is the transferee of the Wind Farm, Plateau shall be thereupon released from any and all obligations under this Agreement from and after the date of such assignment, provided that Grey Highlands has consented to the assignment (which consent shall not be unreasonably withheld, delayed or conditioned) and provided that such assignee has by instrument in writing agreed with Grey Highlands to be bound by the provisions of this Agreement from and after the date of the assignment.
 - (c) This Agreement and the Rights granted hereunder are and shall be of the same force and effect, to all intents and purposes, as a covenant running with the Road Allowances and these presents, including all of the covenants and conditions

herein contained, shall extend, be binding upon and enure to the benefit of Grey Highlands and Plateau, and their respective successors and assigns, as the case may be. The parties hereby acknowledge and agree that the purpose of the Rights granted herein is for the transmission or distribution of electricity within the meaning of the *Electricity Act*.

- (d) Each obligation of the parties hereto contained in this Agreement, even though not expressed as a covenant, is considered for all purposes to be a covenant.
- (e) The invalidity or unenforceability of any provision or covenant contained in this Agreement shall affect the validity or enforceability of such provision or covenant only and any such invalid provision or covenant shall be deemed to be severable from the balance of this Agreement, which shall be enforced to the greatest extent permitted by law.
- (f) Each covenant in this Agreement is a separate and independent covenant and a breach of covenant by either party will not relieve the other party from its obligation to perform each of its covenants, except as otherwise provided herein.
- (g) No supplement, modification, amendment, or waiver of this Agreement shall be binding unless executed in writing by the parties.
- (h) Each of the parties covenants and agrees with the other that it will at all times hereafter execute and deliver, at the request of the other, all such further documents, deeds and instruments, and will do and perform all such acts as may be necessary to give full effect to the intent and meaning of this Agreement.
- (i) Whenever, and to the extent that Plateau will be unable to fulfil or will be delayed or restricted in the fulfillment of any obligation under any provision of this Agreement by reason of:
 - (i) strikes
 - (ii) lock-outs
 - (iii) war or acts of military authority
 - (iv) rebellion or civil commotion
 - (v) material or labour shortage not within the control of Plateau
 - (vi) fire or explosion
 - (vii) flood, wind, water, earthquake, or other casualty
 - (viii) any event or matter not wholly or mainly within the control of Plateau (other than lack of funds or any financial condition of the parties hereto); or,
 - (ix) acts of God

(in each case a "Force Majeure")

not caused by the default or act of or omission by Plateau and not avoidable by the exercise or reasonable effort or foresight by it, then, so long as any such impediment exists, Plateau will be relieved from the fulfillment of such obligation and Grey Highlands will not be entitled to compensation for any damage, inconvenience, nuisance or discomfort thereby occasioned. Plateau will be required and is entitled to perform such obligation within a period of time immediately following the discontinuance of such impediment that is equal to the period of time that such impediment existed. Plateau shall promptly notify Grey Highlands of the occurrence of any Force Majeure, which might prevent or delay the doing or performance of acts or things required to be done or performed by Plateau.

Plateau will use its reasonable efforts to remedy the occurrence and abridge, the period of Force Majeure.

- (j) Grey Highlands consents to the registration by Plateau of this Agreement on the title to the Road Allowances in the applicable land registry office(s).
- (k) Nothing contained in this Agreement shall abrogate or prejudice any statutory rights under any applicable laws including the *Ontario Energy Board Act*, 1998, or the *Electricity Act*.
- (l) This Agreement shall be governed by and construed in accordance with laws of Ontario and Canada applicable thereto.

IN WITNESS WHEREOF the parties hereto affix their hands and seal or corporate seals, attested to by the hand of their authorized officers, as the case may be, at _____, Ontario this _____ day of _____, 2010.

SIGNED, SEALED AND DELIVERED
in the presence of:

THE CORPORATION OF THE MUNICIPALITY OF
GREY HIGHLANDS

Per: _____

Name:
Title: Mayor

Per: _____

Name:
Title: Clerk

I/We have the authority to bind the corporation

PLATEAU WIND INC.

Per:

Per: _____

Name:
Title:

Per: _____

Name:
Title:

I/We have the authority to bind the corporation

SCHEDULE A
DESCRIPTION OF ROAD ALLOWANCES

1. 210 Sideroad Road (also known as Melancthon-Artemesia Townline), between Provincial Highway No. 10 and East Back Line.
PIN: 37265-0133(LT)
2. East Back Line from 210 Sideroad Road to Melancthon Artemesia Townline.
PIN: 37265-0136(LT) and 37265-0134(LT)
3. Melancthon Artemesia Townline from East Back Line to Road 41A.
PIN: 34151-0029(LT)
4. Melancthon Osprey Townline from Road 41A to the access road to Turbine #3.
PIN: 37260-0052(LT)
5. Road 41A, from the Melancthon Artemesia Townline to South Line B Road.
PIN: 37260-0199(LT)
6. South Line 'B' Road from Road 41 A to Grey County Road 2.
PIN: 37260-0198(LT)
7. Centre Line A Road from County Road 2 westerly to Turbine #6 entrance.
PIN: 37260-0125(LT)
8. Centre Line A Road from County Road 2 easterly to Turbines #10 and #12 road entrance.
PIN: 37260-0125(LT)

NOTE: Plateau I Site Layout Overall Plan Revision #__ YR/MO/DD and the most recent individual Turbine Location Plot Plans to be attached.

SCHEDULE “B”

Acknowledgement and Consent Agreement

to an Agreement dated

between

THE CORPORATION OF THE MUNICIPALITY OF GREY HIGHLANDS

and

■

ACKNOWLEDGEMENT AND CONSENT AGREEMENT

This Owner’s Acknowledgement and Consent Agreement (“**Acknowledgement**”) made as of the • day of •, 2010 by and between THE CORPORATION OF THE MUNICIPALITY OF GREY HIGHLANDS (the “**Owner**”) and •, as agent (the “**Agent**”) pursuant to a credit agreement dated •, 2010 (as amended, supplemented, restated, extended, renewed or replaced from time to time, the “**Credit Agreement**”) between, Plateau Wind Inc. *inter alia*, _____ the Agent, • and the other financial institutions from time to time party thereto, as lenders (collectively, the “**Lenders**”) and •, in its capacity as collateral agent under the Agreement made as of •, 2010 (as amended, supplemented, restated, extended, renewed or replaced from time to time, the “**Collateral Agency Agreement**”) between Plateau Wind Inc., the persons who are, and from time to time become, parties thereto as guarantors (including •) and • (the “**Collateral Agent**”), as agent for the Secured Creditors (as defined therein).

WHEREAS:

- A. Plateau Wind Inc. (“**Plateau**”) entered into an Agreement and Transfer and Grant of Easement dated • registered against title to the lands described in the Agreement (the “**Lands**”) on • as Instrument No. • (the “**Agreement**”), pursuant to which the Owner has granted to Plateau, *inter alia*, certain rights in connection with access to municipal roads (the “**Rights**”) on the terms and conditions set out in the Agreement.
- B. Pursuant to, respectively, the Credit Agreement and the Collateral Agency Agreement (and documentation delivered in connection therewith), the Agent and Collateral Agent, respectively, have been granted charges, mortgages, assignments and security interests (collectively, the “**Security Interests**”) in all of the property, undertaking, assets, interests, rights and benefits of Plateau, including without limitation, all of Plateau’s right

title, estate, interest and equity in the Lands, the Agreement, the Easement, all rights, privileges, benefits, agreements and interests therein, and all improvements, equipment, structures, chattels, personal property and appurtenance thereto in, on, under or appurtenant to the Lands (collectively, the “**Collateral**”).

- C. The Owner has agreed to execute and deliver this Acknowledgement to the Agent and the Collateral Agent pursuant to the provisions of the Agreement.

NOW THEREFORE in consideration of the sum of Two Dollars (\$2) paid by each of the Agent and the Collateral Agent to the Owner and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Owner hereby acknowledges, covenants and confirms to each of the Agent and the Collateral Agent, as follows:

1. The Owner consents to the creation of the Security Interests and the registration thereof on the title to the Lands in the applicable land registry office(s).
2. The Owner acknowledges that, following an event of default by Plateau under the Credit Agreement or an event of default as defined in the Collateral Agency Agreement (each, and “**Event of Default**”), the Collateral Agent, the Lenders, the Collateral Agent or the Secured Creditors or any nominee or designee thereof or any receiver or receiver-manager (collectively, an “**Agent Party**”) shall have the right to enforce the Security Interests, including, without limitation, the right to enjoy and enforce the rights of Plateau under the Agreement and, in the course of the enforcement of such rights, shall be entitled to sell, assign, transfer, negotiate or otherwise dispose of the Agreement, provided that in exercising such rights the Agent Party shall assume all of the liabilities and obligations of Plateau under or in connection with the Agreement.
3. The Owner agrees:
 - (a) to give each of the Agent and the Collateral Agent written notice (at the addresses below) of any default by Plateau under the Agreement, concurrent with the delivery of such notice to Plateau;
 - (b) that if Plateau fails to cure the breach or default identified in such notice, the Agent, the Collateral Agent or any other Agent Party may, but in no way shall be obligated to, cure such default and the Owner shall not terminate the Agreement or exercise any other remedy under the Agreement if the Agent, the Collateral Agent or any other Agent Party, within 90 days of the date of the Collateral Agent’s receipt of the written notice referred to in section 3(a) above, is proceeding to cure such breach or default;
 - (c) that if any default by Plateau under the Agreement is not of a curable nature, it shall not exercise any right to terminate if the Agent, the Collateral Agent or any other Agent Party or a nominee thereof agrees to assume the rights and obligations of Plateau under the Agreement to the extent capable of being assumed;
 - (d) that if the Agreement is terminated or surrendered for any reason prior to the expiry of the term thereof, whether as a result of a default by Plateau thereunder or otherwise, the Owner shall give notice of such termination to each of the Agent and the Collateral Agent and shall offer to enter into a new or replacement agreement (the “**Replacement Agreement**”) with the Agent, the Collateral Agent or another Agent Party or other person designated by, as applicable, the Agent, the Collateral Agent or other Agent Party, which Replacement Agreement shall be upon the same terms and conditions as the Agreement; and
 - (e) that if within 30 days of receipt of the notice referred to in item section 3(d) above, the Collateral Agent or other Agent Party requests a Replacement Agreement, the Owner shall enter into such Replacement Agreement with, as applicable, the Collateral Agent or other Agent Party or other person designated by the Collateral Agent or other Agent Party. Notwithstanding any of the foregoing, the Agent Party confirms and acknowledges that the Owner shall not

be liable to the Agent Party for the non-delivery of any notice pursuant to section 3(a) above.

- (f) although the Owner and Plateau may modify the Agreement from time to time between themselves, the Collateral Agent will not be bound by any material adverse modifications made without the Collateral Agent's prior written consent; and
 - (g) the Owner will, at any time and from time to time, upon not less than five (5) business days' prior request by the Collateral Agent, deliver to the Collateral Agent a statement in writing certifying that: (i) the Agreement is in full force and full effect unamended (or setting out any such amendments), (ii) all amounts owing and payable under the Agreement have been paid (or setting out any unpaid amounts), and (iii) to the Owner's knowledge, Plateau is not in default of its obligations under the Agreement in any material respect (or setting out any such defaults).
- 4. The Agent covenants and agrees with the Owner that during any period the Agent exercises its Security Interests and takes possession of Plateau's interest in the Lands (either directly or indirectly through an Agent Party) or takes control of or manages Plateau's interest in the Lands or the Collateral or any part thereof, or forecloses upon the Agreement, or succeeds to the interest of Plateau under the Agreement, it will assume all of the obligations of Plateau under or in connection with the Agreement during such period to the extent that they may be performed by the Collateral Agent, and thereafter observe and perform all of Plateau's obligations under the Agreement to the extent that they may be performed by the Collateral Agent.
 - 5. The Collateral Agent covenants and agrees with the Owner that during any period the Collateral Agent exercises its Security Interests and takes possession of Plateau's interest in the Lands (either directly or indirectly through an Agent Party) or takes control of or manages Plateau's interest in the Lands or the Collateral or any part thereof, or forecloses upon the Agreement, or succeeds to the interest of Plateau under the Agreement, it will assume all of the obligations of Plateau under or in connection with the Agreement during such period to the extent that they may be performed by the Collateral Agent, and thereafter observe and perform all of Plateau's obligations under the Agreement.
 - 6. The Owner confirms and acknowledges that in the event that the Collateral Agent or any other Agent Party assigns, transfers or otherwise disposes of its interest in the Agreement pursuant to its Security Interests (a "**Transfer**"), it will not unreasonably withhold, delay or condition its consent to the Transfer, and, upon such assignee or transferee covenanting and agreeing in writing with the Owner to assume and perform all of the covenants and obligations of Plateau pursuant to the Agreement, each of the Collateral Agent and the other Agent Party shall, thereupon and without further agreement, be freed and relieved of all liability with respect to the Agreement from and after the effective date of such Transfer.
 - 7. All notices hereunder shall be in writing, sent by registered mail, return receipt requested or by telecopy, to the respective parties and the addresses set forth on the signature page or at such other address as the receiving party shall designate in writing.
 - 8. This Acknowledgement may be executed in any number of counterparts, shall be governed by the laws of the Province of Ontario and binds and inures to the benefit of the Collateral Agent, and its successors and assigns and shall be binding upon the heirs, personal representatives, successors and assigns of the Owner.
 - 9. Each of the parties hereto agrees to do, make and execute all such further documents, agreements, assurances, acts, matters and things and take such further action as may be reasonably required by any other party hereto in order to more effectively carry out the true intent of this Acknowledgement.
 - 10. The provisions of this Acknowledgement shall continue in effect until the Owner shall have received the written certification of the Collateral Agent that all amounts advanced, and obligations arising, under the Credit Agreement and all Obligations (as defined in the Collateral Agency Agreement) have been paid and performed in full.

IN WITNESS WHEREOF, this Acknowledgement is executed by the parties.

ADDRESS FOR NOTICE

THE CORPORATION OF THE
MUNICIPALITY OF GREY HIGHLANDS

■

By: _____
■, Mayor

By: _____
■, Clerk

ADDRESS FOR NOTICE

[■]

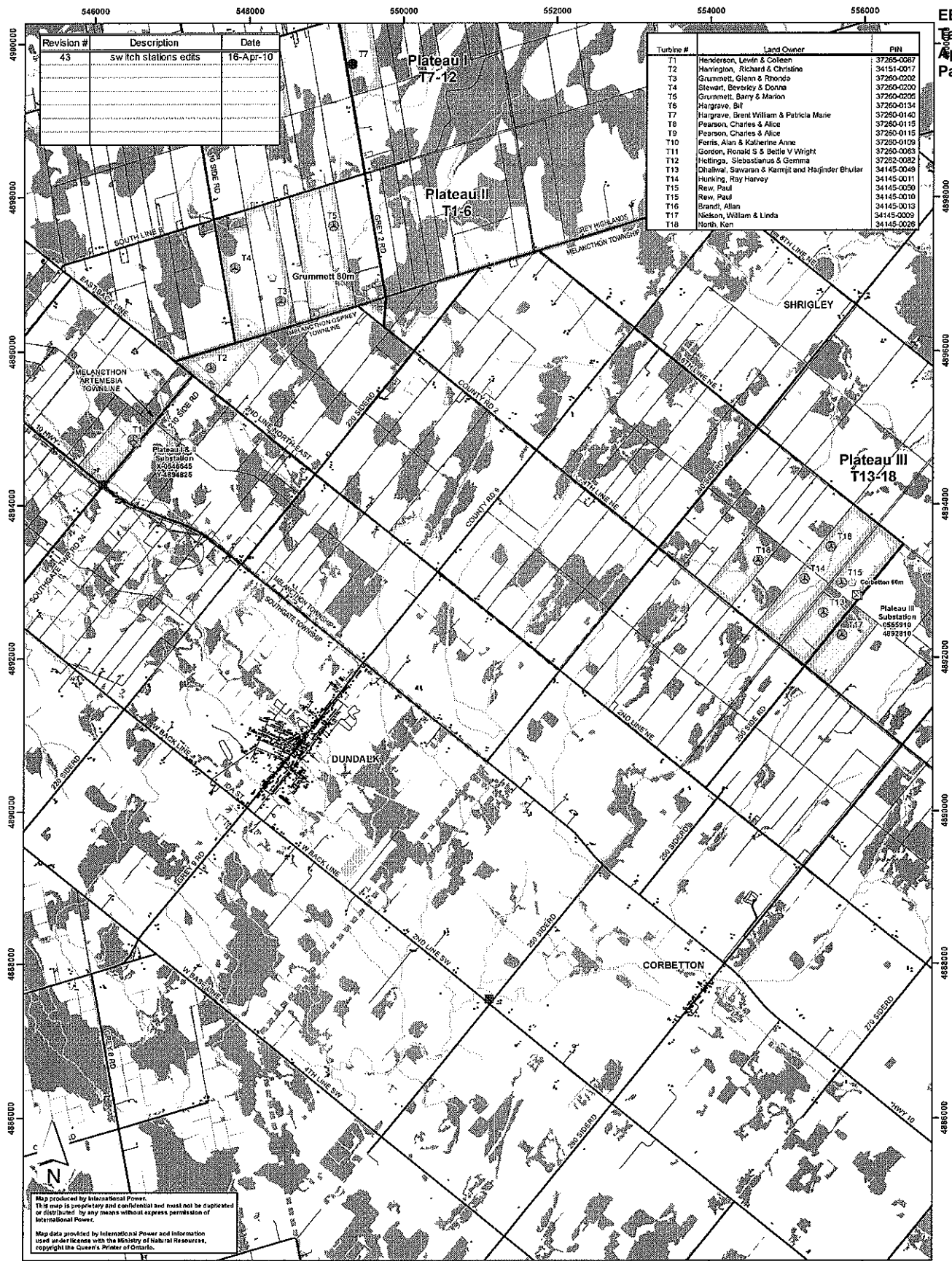
■

By: _____
Name:
Title:

By: _____
Name:
Title

We have authority to bind the corporation.





Legend

- Plateau I (Maxwell)
- Plateau II (Hudson)
- Plateau III (Shrigley)
- Substation
- Point of Common Coupling
- Line Tap
- Participant
- Receptor
- Vacant Lot
- Other Building (OBM)
- MET Tower
- Acquired (AQD)
- Non-Participant Land Parcel (66m)
- Land Parcel (First Base)
- Primary Road
- Secondary Road
- Other Road (Starter)
- Township Boundary
- River, Creek
- Waterbody
- Wooded Area

Plateau Wind Farm
Melancthon Turbines and Road Usage

NAD83 - UTM Zone 17
Scale: 1:45,000 (11 x 17")

Revision 43 - Layout 23
Project: PLT - Plateau
April 16, 2010

International Power

Virginia Stewart Love
[REDACTED]
[REDACTED]
[REDACTED]

Municipality of
Grey Highlands

MAY - 5 2010

April 28, 2010

RECEIVED

Grey Highlands Council

P.O. Box 409 Markdale,

Ontario N0C 1H0

Dear Mayor Mullin and Councilors,

I am writing to you on behalf of the members of Preserve Grey Highlands Citizens Alliance concerning International Power Corp. (IPC) (formally AIM) Plateau Wind Project. It came to our attention at Monday's council meeting as IPC was presenting their plans for the road usage and HydroOne power lines that the map they provided did not correspond to the final minor modification report and turbine layout which the MOE engineer approved on December 8 2009.

We noticed that turbine 5 had been moved from Malcolm Hamilton's property on the north side of South Line B back to its original location (May 2009 ESR) on Barry Grummett's property on the south side of South Line B, placing it within 456 meters of Receptor 201 on the adjacent property (this is assuming that the GPS coordinates are the same as before, we have yet to receive a response from Jim Wilgar regarding turbine 5's coordinates).

The adjacent property, roll number 01000, was recently purchased by Mr. Malcolm Hamilton and is now considered a participating or acquired property, thus making R201 eligible to fall below the 550 meter set back. The MOE Noise Guidelines for Wind Farms regarding "Participating Receptors, means a property that is associated with the Wind Farm by means of a legal agreement with the property owner for the **installation and operation of wind turbines or related equipment located on that property**". There does not appear to be anything on the map to indicate that it follows the MOE description. We are waiting to hear from Mr. Wilgar with the answer to that question as well.

In a letter to us from Minister Gerretsen, MOE denying our appeal for an elevation to an Environmental Assessment, he states "IPC can now proceed with the project, subject to any

other permits or approvals required. IPC must implement the Project in the manner in which it was developed and designed, as set out in the ESR and the minor modification report”.

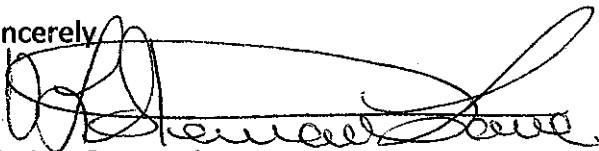
It now appears that a fourth modification has been made since our appeal to Minister Gerretsen, which now includes a participating property which was never a part of the original ESR. Nor was this information available to us to bring to the attention of the Minister. This project continues to change and now looks nothing like the original plan set out in the public meetings held by AIM. It is unlikely that we will receive any more information from IPC as they have “met all statutory public meetings requirements for the project.”

We have addressed this issue in a letter to the MOE and wait to hear from them. We don't hold much hope for a quick reply. Our letter to appeal the Director's decision was sent to Minister Gerretsen on January 14 2010, his response to us was received April 18th. The last response that we received from a letter sent to Ms. Agatha Garcia-Wright, Director, Environmental Assessment and Approvals Branch, was received 44 days later.

We strongly believe that our municipal councilors need to be aware of these latest (and continuing) changes that IPC has made from the original approval so that you and staff might be vigilant regarding these changes and others that they might add.

As both IPC and the MOE have created a climate of extreme distrust in the process to date, despite public assurances to the contrary, we look to our local government to at least try to insist on some integrity and follow-through on commitments previously made. Thank you for your efforts on our behalf.

Sincerely,

A handwritten signature in black ink, appearing to read 'Virginia Stewart Love', with a large, stylized flourish extending from the end of the signature.

Virginia Stewart Love

Preserve Grey Highlands Citizens Alliance

APPENDIX F

Grey Highlands Chief Administrative Officer Recommendation

The Municipality of Grey Highlands

Report to Council



To: Mayor Mullin and Members of Council
From: Dan Best, Chief Administrative Officer
Date: Thursday June 24, 2010
Report: CAO-10-12
Subject: Road Use Agreement with Plateau Wind Inc.

Purpose:

The purpose of this report is to update Council on discussions with Plateau Wind Inc. regarding the Road Use Agreement.

Background & Discussion:

At the June 21, 2010 Committee of the Whole, staff was directed to meet with representatives of Plateau Wind to discuss the draft Road Use Agreement.

A meeting was conveyed at the Municipal Offices on Thursday June 24, 2010 with 4 representatives of Plateau Wind Inc. In attendance on behalf of the Municipality of Grey Highlands were the CAO, CBO, Road Superintendant and Ray Duhamel of Jones Consulting.

A list of concerns and the negotiated solution follows:

Issue #1: The proposed use of any unopened road allowances.

Council had expressed concern regarding the use of any unopened road allowance for this project. As a result, the applicant has revised the access road layout in the vicinity of Turbine 3 so that the municipal road allowance is not being utilized. It would appear this issue is resolved.

Issue #2: The agreement fee of \$1,750 proposed to be paid by the applicant.

The concern with the proposed agreement fee was that the Municipal expenses to date would not be covered off by this amount of money. As a result, the applicant is proposing to pay a significant compensation fee to Grey Highlands.

Issue #3: The insurance amount of \$5,000,000.

Council expressed concerns that the liability insurance amount was insufficient to protect the Municipality from future potential lawsuits/claims. As a result, Plateau Wind has agreed to maintain the \$5,000,000 general liability coverage, and in addition to cover this project under their parent company's umbrella policy in the amount of \$100,000,000. Subject to the inclusion of revised wording in the agreement, it would appear that this issue has been resolved.

Issue #4: Registering security interests on a municipal right-of-way.

The Municipality's solicitor expressed concerns about the provisions in the agreement referencing the ability to register an interest against the municipal right-of-way. As a result, Plateau Wind has agreed to discuss with their lawyer the intent of the security provisions of Clause B of Schedule B to the agreement. There was general agreement that security against the hardware they install (i.e. poles, lines and foundation) could be secured but not the land. The lawyers for both parties will discuss this issue and ensure that the item is resolved to the satisfaction of both parties.

Issue #5: Project compensation to Grey Highlands.

Council expressed their interest in negotiating with Plateau Wind to follow up on their offer of providing some project compensation to Grey Highlands. During our meeting, examples of Melancthon, Wolfe Island, Kingsville and Harrow were discussed, each of which had varying compensation amounts.

As a result of the Green Energy Act (GEA), there is no legislative authority to require the applicant to pay any form of compensation amount. In an effort to contribute positively to Grey Highlands, the applicant has offered to pay a onetime fee of \$25,000, plus an annual payment of \$50,000 for the life of the project. This represents an annual payment of \$4,166 per turbine, and over the life of the project will add in excess of \$1,000,000 to the general revenues of Grey Highlands. Plateau is not asking for any recognition of this payment, nor are they requesting any say in how it will be spent. Lastly, according to Plateau Wind, the per turbine amount proposed exceeds the amounts paid for other projects in the Province.

It should be noted that there is no requirement for Plateau Wind to enter into a road use agreement. Under Section 41 of the *Electricity Act*, specifically 41(5) and 41(9), an electricity transmitter or distributor is only required to enter into an agreement for the specific location and distribution works. If an agreement as outlined above cannot be reached, the matter would be referred to the Ontario Energy Board for determination. As a result it is in the best interests of the Municipality to enter into an agreement with Wind Plateau to in effect maintain some semblance of control regarding location and distribution works.

In summary, a significant degree of local planning authority was removed under the Green Energy Act. Negotiations regarding the proposed agreement were conducted in

order to in provide some form of compensation for the Municipality. Should the Municipality choose not to enter into an agreement, it is anticipated that the project will move ahead at considerable legal expense to both parties.

Financial Impact:

As a result of the actions outlined in this report, there would be an additional revenue stream created for the Municipality. For Year 1, the revenue generated would be \$75,000. For the life of the project, the revenue generated as a result of this agreement would be \$50,000 per annum. Should the agreement not be approved, the financial impacts are undetermined at this time. From an insurance standpoint, the Municipality is further protected with the provisions of the umbrella policy of \$1,000,000.

Recommendation:

THAT the report of Dan Best, Chief Administrative Officer dated June 24, 2010 regarding the Road Use Agreement for the Plateau Wind Inc. project be received;

AND THAT the Road Use Agreement for the Plateau Wind Inc. project be approved;

AND THAT the Mayor and Clerk be authorized to execute the agreement and that the necessary By-law be presented to Council for approval.

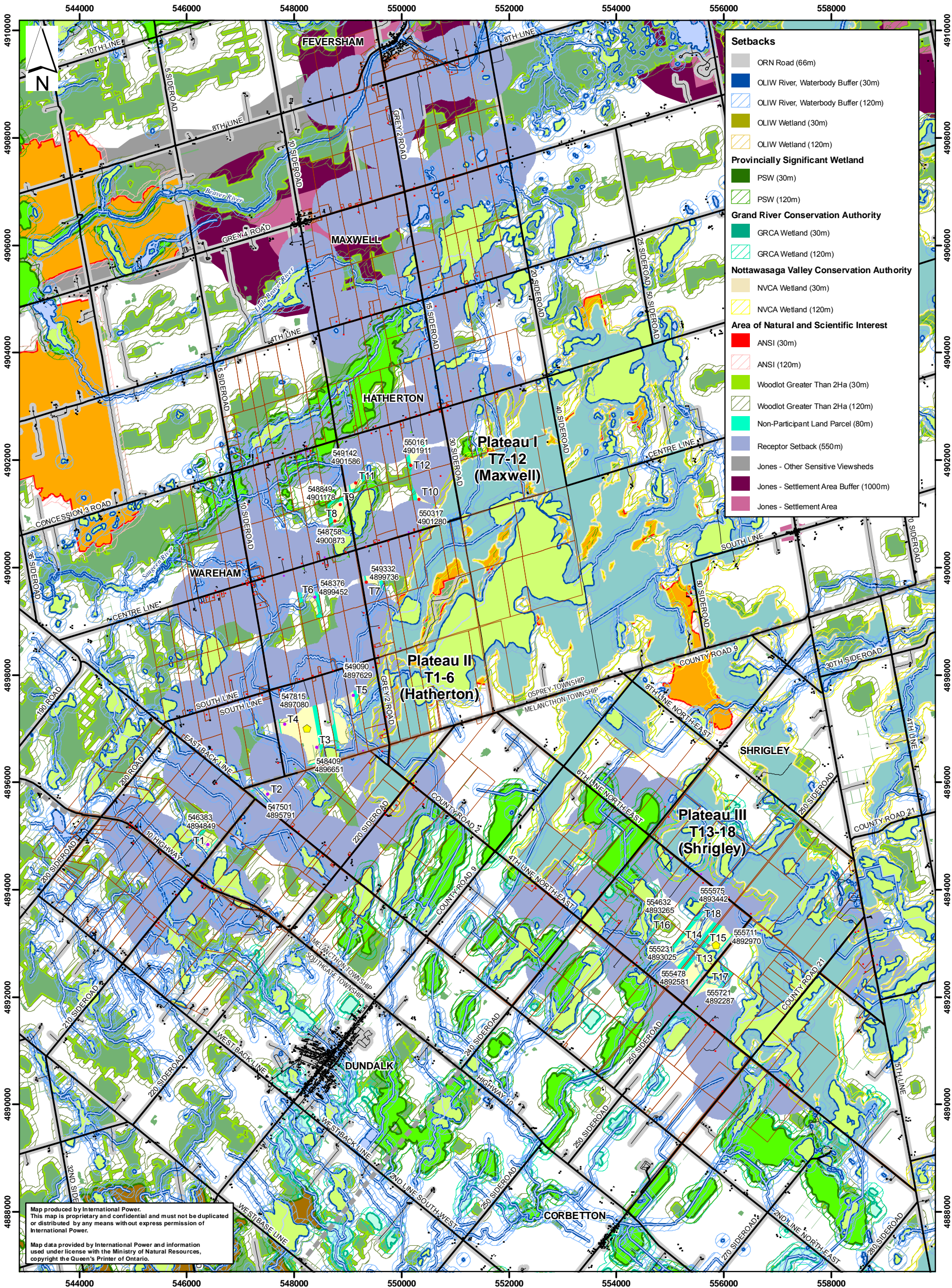
Prepared by,



Dan Best
Chief Administrative Officer

APPENDIX G

Map of Environmental Constraints



Legend

- Participant
- Receptor
- Vacant Lot
- Other Building (OBM)
- Proposed Turbine (GE 1.5 xle - Layout 24)
- Plateau I (Maxwell)
- Plateau II (Hatherton)
- Plateau III (Shrigley)
- MET Tower
- Acquired (AQD)
- Land Parcel (First Base)
- Primary Road
- Secondary Road
- Other Road (Slantec)
- Township Boundary
- River, Creek
- Waterbody
- Wetland (OBM)
- Grand River Conservation Authority Wetland (GRCA)
- Nottawasaga Valley Conservation Authority Wetland (NVCA)
- Wetland (NRVIS)
- Provincially Significant
- Other Wetland
- Area of Natural and Scientific Interest (ANSI)
- Wooded Area

Plateau Wind Farm

Plateau I - Maxwell,
Plateau II - Hatherton,
Plateau III - Shrigley

NAD83 - UTM Zone 17
Scale: 1:65,000 (11 x 17")

Revision 43
Project: PLT - Plateau
July 28, 2010

0 1 2 3 Kms

APPENDIX H

Map of Joint Use Facilities

