

FROM THE OFFICE OF Kelly Friedman
DIRECT LINE 416.369.5263
DIRECT FAX 416.777.7418
E-MAIL kfriedman@davis.ca

FILE NUMBER 80878-00001

April 15, 2011

*Delivered via email and
and filed through the Board's web portal*

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

Attention: Kirsten Walli, Board Secretary

Dear Ms. Walli:

**Re: ACH Limited Partnership - Application for Licence Amendment, EB-2011-0065
AbiBow Canada Inc. - Application for Licence Amendment, EB-2011-0068
(collectively, the "Applications")**

On April 5, 2011, on behalf of our client Fort Frances Power Corporation ("FFPC"), we wrote to the Board to request intervenor status for FFPC due the importance to FFPC to ensure the continuation of all arrangements arising out of a 1905 Agreement in relation to the Fort Frances Generating Station (the "Arrangements").

FFPC has since received a letter from ACH Limited Partnership confirming that the transaction and licence amendments contemplated in the Applications will not result in any amendment to the Arrangements. This letter, dated April 15, 2011, is attached hereto. In light of the confirmatory letter, FFPC no longer finds it necessary to participate in this proceeding. If the Board determines that the Applications will proceed by way of a written or oral hearing, FFPC hereby converts its request for intervenor status to a request for observer status.

Yours very truly,
DAVIS LLP
Per:



Kelly Friedman

cc: Via Email

Jim Gartshore, jim_gartshore@abitiibiconsolidated.com

Sharon Wong, sharon.wong@blakes.ca

Kristyn Annis, kannis@mccarthy.ca

Sean O'Neill, soneill@mccarthy.ca

Joerg Ruppenstein, President and CEO, Fort Frances Power Corporation



ACH LP Operating Center
560 King Street West, Unit 2
Oshawa, Ontario L1J71J
Telephone (905) 438-8539
Fax (905) 438-8226

April 15, 2011

Fort Frances Power Corporation
320 Portage Avenue
Fort Frances, Ontario
P9A 3P9

Attention: Mr. Joerg Ruppenstein
President and Chief Executive Officer

Dear Joerg:

Re: Physical Bilateral Contract Arrangements between Fort Frances Power Corporation and ACH Limited Partnership ("ACH") related to the 1905 land and water rights agreement (the "Arrangements")

In response to your request for information related to the application by ACH Limited Partnership and AbiBow Canada Inc. ("ABC") to the Ontario Energy Board to amend their respective generation licences (File References EB-2011-0065 and EB-2011-0068) (the "**Licence Amendments**"), we would like to provide the following information and confirmation.

Since March 31, 2007, ACH has owned 8 hydro-electric generation facilities (the "**Facilities**") transferred to it by ABC's predecessor, Abitibi Consolidated Company of Canada ("**ACCC**"). Since that time, ABC has provided certain operational services in respect of those Facilities and has, as a result, continued to hold a generation licence in respect of such Facilities. At the time the Facilities were transferred by ACCC to ACH, substantially all of ACCC's assets, obligations and liabilities related to the Facilities were also transferred to and assumed by ACH. Included in these obligations were the Arrangements. On November 2, 2006, ACCC and its legal counsel respectively wrote to Fort Frances Power Corporation's ("**FFPC**") legal counsel and the Ontario Energy Board confirming that this was the case and that the terms and conditions of the Arrangements would remain unchanged, other than they would now be performed by ACH. On March 21, 2007 ACCC subsequently wrote to FFPC confirming the same. Since March 31, 2007, ACH has abided by the Arrangements and, to our knowledge, there have been no issues from FFPC's perspective.

In connection with the sale by ABC, CDP Investissements Inc. and Caisse de dépôt et placement du Québec of 100% of the limited partnership interests of ACH and of the shares of its general partner (the "**Transaction**"), ACH will become an arm's-length party to ABC. Accordingly, ABC will no longer operate the Facilities, and the Licence Amendments are being sought to reflect this. This does not change the fact that ACH has been a separate, going concern since March 31, 2007 and will continue to deal with its customers, suppliers and contractual counterparts as it has since then. In particular,

this letter will confirm that the Transaction and the Licence Amendments will not result in any amendment to the Arrangements.

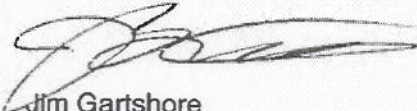
We are providing this letter in reliance on your undertaking that FFPC will be changing its request for intervenor status to observer status in respect of the Licence Amendments to the extent that the Ontario Energy Board decides to proceed by hearing in respect of the Licence Amendments.

I trust that this satisfactory.

Yours very truly,

ACH Limited Partnership

Per:

A handwritten signature in black ink, appearing to read 'Jim Gartshore', written over a horizontal line.

Jim Gartshore
General Manager

cc: Kelly Friedman, Davis LLP
Sharon Wong, Blake Cassels & Graydon LLP
Seán O'Neill, McCarthy Tétrault LLP