

March 2, 2011

VIA COURIER and RESS

Ontario Energy Board  
P.O. Box 2319, 26th Floor  
2300 Yonge Street  
Toronto, Ontario  
M4P 1E4

Attention: Ms. Kirsten Walli, Board Secretary

Dear Ms. Walli :

**Re: Request for Amendment to Electricity Generation Licence EG-2006-00124**

ACH Limited Partnership (ACH) currently holds an Electricity Generation Licence EG-2006-00124 to be the owner of eight generation facilities as listed in Schedule 1 of the License (the "Facilities"). AbiBow Canada Inc. ("ABC") (formerly Abitibi-Consolidated Company of Canada) is the licensed operator of the Facilities pursuant to licence EG-2003-0204.

As the Board knows from previous applications relating to the Facilities, ACH and ABC are currently affiliated to each other. However, the owners of ACH have signed a binding agreement for the sale of their interests in ACH and its general partner (the "Sale Transaction") to Infra H2O GP Partners Inc., Infra H2O LP Partners Inc. and BluEarth Renewables Inc. After the closing of the Sale Transaction ACH will no longer be an affiliate of ABC.

Upon the closing of the Sale Transaction, it is intended that ACH will take over as the operator of the Facilities, and ACH will remain the owner of the Facilities. We are therefore writing to apply for an amendment to our Generation Licence EG-2006-00124 to change ACH's status as owner of the subject facilities to owner and operator. We request that the amendment be conditioned to become effective on the date the Sale Transaction closes.

The change of ACH's status to owner and operator should have no material impact on the day to day operations of the Facilities. Upon closing of the Sale Transaction, the individuals who are currently managing the operation of the Facilities on a day to day basis will become employees of ACH and will continue to operate the Facilities.

After the close of the Sale Transaction, Mr. Jim Gartshore will continue to be the contact person for ACH, however ACH's address will change to the following:

ACH Limited Partnership  
560 King Street West, Unit 2  
Oshawa, Ontario L1J 7J1

After the close of the Sale Transaction, ACH's key individuals will be as follows:

1. Jim Gartshore, who will be the President of ACH after the closing; and
2. Ron McLeod, who will be the Vice-President Finance and Administration of ACH after the closing.

Key individual forms for these individuals are enclosed.

ACH requests that the Board decide this application without a hearing as no one other than the applicant and ABC will be affected by the proceeding, and both ACH and ABC consent to matter being disposed of without a hearing.

The parties are aiming to close the Sale Transaction as soon as possible and at the latest by the end of March 2011. ACH therefore requests that the Board issue its decision prior to that date.

Please address all correspondence in respect to this application as follows:

To: Mr. Jim Gartshore  
ACH LP Operating Center  
560 King Street West, Unit 2  
Oshawa, ON  
L1P1R7

Tel: 905-438-8539 Ext 201  
email: jim.gartshore@abibowater.com

And to our legal counsel:

Sharon Wong  
Blake, Cassels & Graydon LLP  
199 Bay Street  
Suite 4000, Commerce Court West  
Toronto ON M5L 1A9

Tel: (416) 863-4178  
email: sw@blakes.com

ABC as the current operator of the Facilities consents to this application. We understand that ABC will be writing to the Board separately to request that its Generation Licence EG-2003-0204 be amended so that it will no longer be licensed as the operator of the Facilities after the closing of the Sale Transaction.

Yours truly,

A handwritten signature in black ink, appearing to read "Jim Gartshore", is positioned above a horizontal line.

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Jim Gartshore  
VP – Energy and General Manager  
ACH Limited Partnership