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May 26, 2011

Kirsten Walli Board Secretary Ontario Energy Board 2300 Yonge Street, Suite 2700 Toronto ON M4P 1E4

Dear Madame:

Re: EB-2011-0063 – Grand Renewable Wind, LP (the "Applicant")
Response to Board's request re REA Status Update and Route Confirmation

We are writing in response to the Board's letter of May 18, 2011. Please note that capitalized terms not defined herein have the meaning ascribed to them in the Application. The Applicant is in the process of preparing the final Renewable Energy Approval ("**REA**") application and supporting documents to submit to the Ministry of the Environment ("**MOE**"). To date, the following requirements, as prescribed by Ontario Regulation 359/09, *Renewable Energy Approvals under Part IV of the Act* (the "**REA Regulation**"), have been completed:

- A Draft Project Description Report has been made available to the MOE.
- The MOE has provided a list of aboriginal communities that may be interested in the Project.
- The Project Description Report has also been made available to the public.
- A Draft Site Plan has been publicly released which identifies the proposed turbine locations.
- A Public Meeting was held on July 8, 2010.
- The Regional Municipality of Haldimand-Norfolk has been provided (February 15, 2011) with a copy of draft REA documents, which included the Project Description Report, construction plan report, design and operations report and decommissioning report.

As per the above, the Applicant has not carried out the second public meeting (the "**Second Public Meeting**"), and is unable to set a date for the Second Public Meeting until it has received sign off from certain government ministries:

The REA Regulation requires that all documents that are to be submitted as part of the REA application be made available at least 60 days before the Second Public Meeting is held. One of the documents that must be submitted as part of the REA application is the Ministry of Natural Resources' ("MNR") confirmation of various natural heritage reviews, assessments and investigations. These natural heritage studies are currently being reviewed by the MNR. The Applicant will schedule the Second Public Meeting once



confirmation from the MNR (and from the Ministry of Tourism and Culture, as described below) has been received.

2. The Ministry of Tourism and Culture ("MTC") is reviewing the archaeological assessment report. Written comments from the MTC are also required as part of the REA application and the Second Public Meeting will be scheduled once these are received.

Once the Applicant has received the confirmation letters from MNR and MTC, the Applicant will be in a position to publish the REA documents on its website and circulate the REA documents to interested parties. The Second Public Meeting will be scheduled 60 days subsequent to the public posting of the REA documents. Following the Second Public Meeting, the Applicant will finalize the consultation report and submit the REA application and all supporting documents to the MOE. The Applicant expects to be in position to submit the final REA application by the fourth quarter of 2011.

The transmission line route that is identified in the leave to construct application (the "LTC Application") before the Board is the route that has been studied for the purposes of the REA application and supporting documents. This will be the final route that is submitted as part of the REA application.

Furthermore, the Applicant confirms that the route in the LTC Application and pre-filed evidence is the final route, subject to REA approval. In the event that the Applicant is not able to obtain the necessary Ground Leases, it would likely seek an order under section 96(2) of the *Ontario Energy Board Act*, 1998. However, this would be as a last resort only, and the Applicant does not expect that such an order will be required. The Applicant will update the Board on progress with respect to such Ground Leases as it becomes available.

We would be pleased to answer any further questions that the Board may have.

Kind Regards,

McCarthy Tétrault LLP

Per: Signed in the original

Kristyn Annis

C: J. T. Lee encl.