

# AIRD & BERLIS LLP

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February 21, 2008

## Via E-mail and Courier

Ms. Kirsten Walli  
Board Secretary  
Ontario Energy Board  
P.O. Box 2319  
2300 Yonge Street  
27<sup>th</sup> Floor  
Toronto, ON M4P 1E4

Dear Ms. Walli:

**Re: Motion by Integrated Grain Processors Co-operative Inc. and IGPC  
Ethanol Inc. v. Natural Gas Resource Limited**

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We are counsel to Integrated Grain Processors Co-operative Inc. and IGPC Ethanol Inc. (collectively "IGPC") and are responding to a letter to you dated February 20, 2008, from Mr. Lawrence E. Thacker, the solicitor for Natural Gas Resource Limited ("NRG").

IGPC served and filed its motion materials on Friday, February 15, 2008. It is the customary practice in proceedings before the Ontario Energy Board ("OEB") for parties to file "Pre-filed Evidence" which will be adopted by a witness or witnesses on behalf of the party, under oath. The witness will then be made available for cross-examination following a necessary examination-in-chief.

IGPC will be producing Mr. George Alkalay as a witness at the motion. His CV is appended to this letter. Mr. Alkalay was involved in the negotiation of the agreements with NRG and more broadly, the development of the ethanol facility.

Neither the OEB's *Rules of Practice and Procedure*, nor the *Statutory Powers of Procedure Act* ("SPPA") provides that a party has a right to cross-examine another party prior to a hearing. Indeed, Section 10.1 of the SPPA provides that a party may conduct cross-examinations of witnesses "at the hearing". IGPC submits that NRG's request for an opportunity to cross-examine prior to the hearing is simply a delay tactic.

NRG's counsel further implies that NRG will not respond to the motion materials until IGPC produces "sworn evidence". It is appropriate to note that Section 15 of the SPPA permits a tribunal to admit in evidence "whether or not given or proven under oath or affirmation or admissible as evidence in a court, any oral testimony; and any document or other thing".

IGPC respectfully requests that the OEB set a motion date at the earliest possible opportunity. Until the issues raised in IGPC's motion are settled by the OEB, there is no certainty that the required natural gas pipeline will be constructed. While NRG has issued the Construction Tender Package to pipeline construction contractors requesting

responses, once a successful bidder is selected, because the provision of a Letter of Credit by IGPC is a prerequisite to proceeding, there is no certainty that the pipeline will proceed unless the OEB deals with the outstanding issues. The Construction Tender Package has set a date of March 5, 2008 for replies from prospective bidders. It is therefore imperative that the disputes in issue be resolved prior to this date so that the contractor can be selected and construction proceeds immediately.

IGPC therefore respectfully requests that the OEB set a motion date for the week of February 25, 2008.

Yours very truly,

AIRD & BERLIS LLP



For Dennis M. O'Leary

DMO/ct  
Enclosure

cc Mr. Lawrence E. Thacker  
cc Mr. George Alkalay

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**GEORGE R. ALKALAY**  
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Northfield Ventures Ltd. is a consulting firm providing a wide range of agricultural, food-processing, and rural co-operatives, businesses, and not-for-profit organizations with business/strategic planning, assistance in getting access to appropriate financing, development and implementation of member/community investment campaigns, advice on corporate governance matters, assistance with government regulatory approvals and funding applications, and project management. Core areas of specialization include the development of “new generation” co-operatives and other forms of producer-driven organizations.

Northfield Ventures Ltd. was formed in 1996 by George Alkalay.

George Alkalay has worked closely with Integrated Grain Processors Co-operative Inc. since its formation in early 2002. Acting as project advisor and Project Manager George has assumed primary responsibility for: the preparation of the financing proposal for presentation to financial institutions and other prospective lenders and equity partners leading to the successful financing of this \$140 million farmer and community-owned ethanol plant in Aylmer, Ontario; the development and implementation of a comprehensive government relations strategy resulting in over \$30 million in federal and provincial Government capital grants and ongoing operating grants; negotiation of all key agreements including property purchase and sale, corn procurement, and offtake agreements, and collaboration with solicitors in drafting/review of all agreements; overall project management and recruitment of senior management for plant; preparation of Articles of Incorporation, By-laws, and Offering Statement for Co-operative to raise nearly \$50 million in funds from approximately 850 community investors.

From 1991 to 1996, George Alkalay worked at the Ontario Ministry of Finance as Manager, Co-operative Development Services, with the Credit Unions and Co-operatives Branch of (1991-1996) and was responsible for both the development of co-operative policy and the regulation of co-operatives. He also worked as a Senior Policy Analyst in the Policy and Planning Branch of the Ministry of Financial Institutions where he developed policy papers and Cabinet Submissions on pension plan governance, securities regulation, financial institutions and economic development.

From 1986 to 1990, George was an Assistant Professor at the Department of Political Science at Trent University.

George has a B.A. in Government and Legal Studies from Bowdoin College (Brunswick, Maine) and an M.A. and Ph.D. in Political Science from the University of Toronto.