

By Registered Mail.

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Ontario Energy Board  
Attn: Board Secretary  
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Toronto, ON. M4P 1E4

RECEIVED

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ONTARIO ENERGY BD

A. J. L. Row  
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RR#4  
Dundalk, Ont.  
NOC 1BO

November 22, 2012

Dear Sir

Re: Board File Number EB-2012-0365

Application for leave to Construct Transmission Facilities for  
Dufferin Wind Inc.

I submit that the subject Application should be denied based on the following considerations respecting, specifically, that portion of the line connecting the Wind Farm to the rail corridor.

1. Insufficient regard for the Province's objective as set out in the Growth Plan for the Greater Golden Horseshoe; and
2. Insufficient consultation prior to submitting the subject Application; and
3. Locating the line, in the main, on prime agricultural land is not consistent with the Province's objective of protecting prime agricultural land.

Fuller discussion of the above is set out below.

## 1. Route location South of Corbetton

Reference: Exhibit B, Tab 2, Section 4, Maps

Map Title: Overall Plan, Private Easement Section Sheet 4

Overall Plan, Private Easement Section Sheet 5

- The current routing immediately south of Corbetton between Hwy 10 and the rail corridor should either be buried or moved further south.

The two referenced maps indicate that the 30 m easement south of the hamlet of Corbetton is the same as that along the farm lot lines throughout the private easement route. Surely the current and future residents of Corbetton deserve the more sensitive routing of the resulting disamenity compared to some animal in the back-40 of a local farm.

The Province has established growth targets for the Township through the process of implementing the Dufferin County portion of the Growth Plan for the Greater Golden Horseshore. To achieve its target the Township must rely primarily on growth in three small communities including the hamlet of Corbetton. Recognizing this Provincial objective the impact on the referenced hamlet must be mitigated.

## 2. Consultation Program

- There is no record of substantive consultation with the Township of Melancthon with respect to locating that portion of the transmission line connecting the wind farm to the rail line corridor along a municipal road allowance. The use of an available road allowance must be the first alternative for routing such lines and cannot be dismissed without a compelling, documented, study weighing all relevant factors. As no such study has been submitted, this application is premature.

A record of the Township's dealing with the Applicant on the use of Municipal roads was read into the record at the November 15, 2012 Council meeting. (Attachment 2) This report indicated that no substantive discussions took place prior to the filing of this Application. Considering the extended delays set out in this report to Council and the fact that in the very first PIC dealing with the 230 KV line the only location for this portion of the line was the private easement option, indicate clearly that the Applicant intended from the outset to avoid use of municipal road allowances. Knowing there would always be, for a fee, willing hosts, pursuing this course of action would to a large degree obviate the need to get Municipal agreement on a major portion of the route.

### 3. Locating Transmission Lines on Prime Agricultural Lands

- To the maximum extent practicable the portion of the line connecting the Wind Farm to the rail corridor should avoid prime agricultural lands. This is required by the Provincial objective of protecting prime agricultural lands.

A major portion of the private easement route from the Wind Farm to the rail corridor is located on prime agricultural lands. Although it is recognized that the wind turbines must necessarily be located on such lands, no compelling technical argument has been presented to justify this routing for the transmission line.

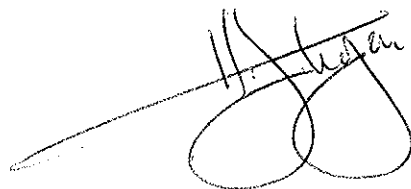
The prime agricultural lands in Melancthon are characterized by large unobstructed fields. Farmers have spent a generation removing fence rows and squaring-up fields in order to accommodate efficiently the large equipment employed in modern agriculture. With equipment measuring up to 18 meters wide it is easy to see that a row of posts running from one end or side of a farm to the other will represent a real hindrance to efficient agricultural operations.

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I interpret that the Board may grant authority to construct works on road allowances, and with EB-2010-0253 relating to our neighbour we can expect that both the Township and the County are also aware of this authority. This is also the understanding of the Applicant, (lines 18-20, Exhibit F, Tab 1, Schedule 1). This authority should have provided ample incentive for all parties to sit down and develop a route that takes full advantage of available road allowances and thus minimizes, to the extent practicable the amount located on prime agricultural lands. Nowhere in the Application is there an indication that such discussions ever took place. Accordingly, as presented, this portion of the transmission line is not consistent with the Provincial objective of protecting prime agricultural land.

Copies of this submission have been provided to those parties as indicated on the attached list.

Respectfully submitted

A handwritten signature in black ink, appearing to read "H. Stefan", written over a horizontal line.

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**Report to Council and the ratepayers of Melancthon regarding the \$5 million  
"gift" from Dufferin Wind Power Inc.**

In view of the recent electronic edition of the Orangeville Banner and the subsequent e-mails and discussions, I felt it necessary to provide the following brief synopsis of events that lead to this.

On Sept 14, 2011 Denise Holmes, Melancthon's CAO and I met for the first time with Mr. Jeff Hammond and Chad McAllister. It was more or less a "meet and greet". The meeting touched on things that were important to the Township - i.e. buried lines, community contributions, turbine sizes, etc. Mr. Hammond was very direct in saying that they work in a certain way, they probably would not bury lines because they didn't need to and at that point did not commit to any community contribution, but hoped we could find common ground.

We indicated that we had worked out an arrangement with Plateau Wind Inc. that was done under the Green Energy and Economy Act and would provide him with a copy of that Agreement that could be used as a template, which we did.

In April of 2012 the first "formal" pre-consultation meeting was held and the following people were in attendance; myself, Denise Holmes CAO, Township Planner Jerry Jordan, Township Solicitor Andrew Osyany, Township Engineer Gord Feniak, Jeff Hammond Senior Vice President Dufferin Wind Power Inc. Chad McAllister, Land Specialist Longyuan Canada Renewables Limited and John Kidd representing the Shareholders of Melancthon Farm Owned Power and Mr. Zhu Dong, Longyuan Canada Renewables.

From the discussions, it certainly appeared that the Plateau Agreement was being used. Mr. Hammond indicated they were using the Plateau Agreement and making changes they felt were necessary and would have it submitted to our Solicitor in the next day. A couple of days later, I was talking to Mr. Hammond and he said he was e-mailing the Agreement to our Solicitor that afternoon. That was in late April 2012.

In June of 2012, letters were received by Council criticizing us for "holding up the project" and not signing the Agreement. Specific verbal and non-verbal allegations were made that it was me personally delaying the project, and Council was against it.

A letter was sent on June 12, 2012, to those people who wrote, advising that it was not Council or I holding up the Agreement and explained the above information. The same letter was also sent to subsequent people accusing us of the delay.

There have been informal contacts at various PIC's about the Agreement since then and we have always been told "it's on its way". About a month or so ago, Rebecca Crump of Dillon Consulting came to the office on Tuesday (my Township office day) to drop items off and met with Denise and I. She indicated there were a couple of concerns in the Plateau Agreement about our right to enter the property and our time frame about decommissioning. We explained our position again and when Rebecca left, we were under the impression that she had a better understanding and hopefully that would do it.

At the October 24, 2012 PIC in Horning's Mills, Rebecca advised that although the Agreement was supposed to have been at our office October 19, 2012 "it would be there any day". At that PIC, Mr. Hammond stated that it would be available soon. I rose during the meeting and advised that Council had a meeting November 1, 2012 and hopefully they would ensure Council had it before the general population.

On November 1, 2012 at 5:42 p.m. Mr. Hammond forwarded the Agreement to our CAO. Denise contacted me (although I was away till Wednesday) and I went into the Orillia Library and printed off the Agreement. We discussed that in view of the drastic differences, from what we had been expecting, that instead of having the "normal Staff and Professional working meeting", I wanted the entire Council to be involved and a Special Council Meeting was called for 1:00 p.m. on Thursday November 8, 2012.

The meeting was an open Council meeting. Direction was given to the Professional Team to "redline" the Agreement. In addition, Members of Council were asked to submit their concerns/ideas by 4:30 p.m. on Monday November 19, 2012. A second Agreement would be prepared on Council's terms and at that point, another meeting would be held to see if there is any common ground.

On November 9, 2012, Dufferin Wind Power Inc. held the Grand Opening of their new office in Shelburne where they announced the "\$5 million dollar gift" to Melancthon.

On Tuesday, November 13, 2012, I was at the Township Office and opened my e-mail to find the latest online edition of the Orangeville Banner. I was amazed to see the headline. As I was sitting there in disbelief, Denise Holmes came into my office with the printed article saying that she had just received a call from our Deputy Mayor Darren White about the article.

Councillors Crowe and Malek were doing Committee work in the lunch room and we showed them the article. I immediately called Bill Tremblay of the Banner (the author of the article) and explained there was no "gift". I explained about the Agreement, told him about the Special Meeting of Council and the direction given. Within about 45 minutes, Bill Tremblay changed the headline and parts of the story.



In a follow-up e-mail, I provided more information and Bill Tremblay got back to me saying "you're absolutely right I should have called you on this. They spun me pretty good with their presentation of the "gift".

For the record, there are many concerns with the Agreement. Council is not going to debate specifics of it now or at a subsequent meeting because there are so many things. Once any Agreement is developed by Council, we will discuss it. I do however believe it is important for the public to be aware that one of the main considerations for the "gift" was: *"Now therefore in consideration of the mutual agreements contained herein, and the Municipality agreeing to publicly support the Development, including but not limited to the Developments Transmission System running from the Hydro One Networks Inc's Orangeville transformer station along the former Toronto Grey Bruce railway corridor, now owned by the County of Dufferin, and doing all things within its power to assist the Developer in securing the rights to construct, operate and maintain the Development and Transmission System, the Municipality and Developer agree as follows:"*

That does not sound like a "gift" to me. The \$5 million dollar figure is arrived at by the Township getting \$214,000.00 per year indexed at 2% for the next 20 years. In addition, there would be a one-time payment of \$225,000.00 upon signing of the Agreement.

It should be noted, that had the Provincial Government not capped the turbine assessment at \$40,000/MW, the Township would, based on current market value assessment, receive approximately \$15,700.00 per turbine (based on a turbine value of \$1.75 million multiplied by the 2012 Industrial Tax Rate - Melancthon). And, if you multiply that amount by the 49 turbines, the Township would receive approximately \$769,000.00 per year in taxes. The total tax dollars that the Township will see based on the capped assessment for the 49 turbines will be approximately \$35,445.00. Therefore, the net annual shortfall to the Township based on the amounts above, would be approximately \$519,555.00 (taking the Community Contribution into consideration) and the shortfall, multiplied over 20 years would be \$10,391,100.00.

Going forward the only comments that I will be making will be by direction or motion of Council or by a Press Release.

Our goal as a Council is to be open and transparent. While we appreciate that there are varying views, our job is to fulfil our obligations as outlined in the Municipal Act and we will do that.

Respectfully submitted,

Bill Hill, Mayor