June 14, 2013

Ms. Kirsten Walli Board Secretary Ontario Energy Board 27th Floor 2300 Yonge Street Toronto ON M4P 1E4



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Your reference Our reference

Dear Ms. Walli:

TransAlta Generation Partnership Application for Distribution Licence and Threshold Question Board File No. EB-2012-0423

This letter is further to your letter to Mr. Peter Smith (TransAlta) of June 10, 2013 in the above-noted matter. TransAlta and Bluewater Power have agreed to terms that would resolve the outstanding issue between the two companies that resulted in Bluewater Power's request for a hearing. TransAlta and Bluewater Power are in the process of reducing the terms of the agreement to writing, which is expected to be completed by the end of June.

Once complete, Bluewater will file a letter with the Board withdrawing its request for a hearing, and at the same time TransAlta will file a letter with the Board asking it to process the application (commencing with a decision on the threshold issue). Bluewater Power and its counsel are copied on this letter. Please contact the writer if you have any questions.

Yours very truly,

Original signed by

Richard J. King Partner

RJK/mm

Cop(y/ies) to: P. Smith and B. Heaman (TransAlta)

A. Palimaka (Bluewater Power)

A. Taylor (Counsel to Bluewater Power)

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