



Stantec

**OSTRANDER POINT WIND ENERGY PARK
CROWN LAND INTEREST REPORT**

File No. 160960369
May 2011

Prepared for:

Gilead Power Corporation
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Executive Summary

Gilead Power Corporation (“Gilead”) is an Ontario-based private, renewable energy development company dedicated to providing renewable energy for Ontario. In response to the Government of Ontario's initiative to promote the development of renewable, pollution-free electricity in the province, Gilead is proposing to develop the Ostrander Point Wind Energy Park in Prince Edward County, Ontario.

The basic components of the Project include nine (9) GE xl 2.5 MW wind turbine generators with a total installed nameplate capacity of 22.5 MW, transformers included within each turbine, one on-site substation including transformer and electrical collector lines. This system will transport the electricity generated at the wind farm to Hydro One Networks Inc.'s (Hydro One's) Distribution Network. The Project also includes an existing 60 m high meteorological testing tower (MET tower), roads to access the turbines for on-going maintenance as well as electrical equipment and systems required for interconnection to the Hydro One grid. All Project components will be situated exclusively on Crown land, known as the Ostrander Point Crown Land Block.

Gilead retained Stantec Consulting Ltd. (Stantec) to prepare a Renewable Energy Approval (REA) Application, as required under Ontario Regulation 359/09 - Renewable Energy Approvals under Part V.0.1 of the Act of the *Environmental Protection Act* (O. Reg. 359/09). This Crown Land Interest Report is one component of the REA Application for the Project, and has been prepared in accordance with section 6.9 of the Ontario Ministry of Natural Resources' (MNR's) *Approval and Permitting Requirements Document for Renewable Energy Projects* (September 2009).

The following table summarizes the requirements of this report as specified by the MNR.

Crown Land Interest Report Requirements (as per MNR's Approval and Permitting Requirements Document for Renewable Energy Projects)

Requirements	Completed	Section Reference
The applicant may be required to provide information related, but not limited, to: <ul style="list-style-type: none"> • Title searches and legal agreements from affected landowners; • Consents from unpatented mining claim holders or agreement from mining lease holders (where surface rights are held) to surrender all or part of leases where required; • Legal agreements with Petroleum lease holders regarding infrastructure; • Mitigation of effects to existing users, including those with licenses, permits or tenure (may require consent/agreement); 	✓	2.0

OSTRANDER POINT WIND ENERGY PARK

CROWN LAND INTEREST REPORT

EXECUTIVE SUMMARY

May 2011

Crown Land Interest Report Requirements (as per MNR's Approval and Permitting Requirements Document for Renewable Energy Projects)

Requirements	Completed	Section Reference
<ul style="list-style-type: none">• Site access controls to mitigate the effects to other resource users or management activities; and• Measures to address compatibility with or effects to existing land use direction.		

Table of Contents

EXECUTIVE SUMMARY	E.1
<hr/>	
1.0 INTRODUCTION	1.1
2.0 MNR REQUIREMENTS.....	2.1
2.1 TITLE SEARCHES AND LEGAL AGREEMENTS	2.1
2.2 EXISTING USERS.....	2.1
2.3 SITE ACCESS CONTROLS	2.1
2.4 LAND USE COMPATIBILITY.....	2.1
<hr/>	
3.0 SIGNATURES	3.1

1.0 Introduction

Gilead Power Corporation (“Gilead”) is a renewable energy development company that is privately owned and based in Scarborough, Ontario. Gilead is proposing to develop the Ostrander Point Wind Energy Park (the Project) in Prince Edward County, Ontario, in response to the Government of Ontario’s initiative to promote the development of renewable electricity in the province.

The basic components of the Project include nine (9) GE xl 2.5 MW wind turbine generators with a total installed nameplate capacity of 22.5 MW, transformers included within each turbine, one on-site substation including transformer and electrical collector lines. This system will transport the electricity generated at the wind farm to Hydro One Networks Inc.’s (Hydro One’s) Distribution Network. The Project also includes an existing 60 m high meteorological testing tower (MET tower), access roads to the turbines for on-going maintenance as well as electrical equipment and systems required for interconnection to the Hydro One grid. The turbines will be situated exclusively on Crown land, known as the Ostrander Point Crown Land Block (the site plan is shown within the **Project Description Report**).

Gilead retained Stantec Consulting Ltd. (Stantec) to prepare a Renewable Energy Approval (REA) Application, as required under Ontario Regulation 359/09 - Renewable Energy Approvals under Part V.0.1 of the Act of the Environmental Protection Act (O. Reg. 359/09). According to subsection 6.(3) of O. Reg. 359/09, the Project is classified as a Class 4 Wind Facility and will follow the requirements identified in O. Reg. 359/09 for such a facility.

In addition, the Project is located on Crown land and the Ontario Ministry of Natural Resources (MNR) is responsible for the management and administration of Crown land. In order to support Ontario’s objective of promoting renewable energy sources, the MNR provides opportunities for Crown land to be used to develop renewable energy projects, including commercial wind power projects, via a “Commercial Wind Energy Lease”. This lease grants land from the that conveys a leasehold interest in public land for the purpose of construction, maintaining and operating a wind park. The term of the lease will be for 25 years with one extension for a further term of 15 years.

This Crown Land Interest Report is one component of the REA Application for the Project, and has been prepared in accordance with the MNR’s Approval and Permitting Requirements Document for Renewable Energy Projects (September 2009).

2.0 MNR Requirements

2.1 TITLE SEARCHES AND LEGAL AGREEMENTS

The Ostrander Point Crown Land Block is approximately 324 hectares in size and is managed by the Ministry of Natural Resources (MNR). Gilead has entered into an Applicant of Record for the site and will be entering into lease agreements with the MNR for use of the site prior to construction.

2.2 EXISTING USERS

There are no existing users who have licenses, permits, or tenure of the Ostrander Point Crown Land Block and thus consents/agreements are not required. There are no mining claims or mining lease holders within the Ostrander Point Crown Land Block. In addition, there are no petroleum lease holders within the Ostrander Point Crown Land Block.

Existing uses of the Ostrander Point Crown Land Block include recreational users who use the site for activities such as hiking, hunting, off-roading, and nature observation. As existing recreational activities will be able to resume during the operation of the Project, no effects or mitigation measures have been identified to existing uses of the Ostrander Point Crown Land Block.

2.3 SITE ACCESS CONTROLS

Access roads throughout the Project Location will not have restricted access (e.g. gates), thus existing recreational users will be able to continue to access the Subject Property. However, access restrictions will include no public access within the turbine towers or within the transformer station. In addition, fencing will be placed around the transformer station to restrict unauthorized access and speed restrictions (15 km/hr) will be implemented for the use of the access road.

2.4 LAND USE COMPATIBILITY

The Project Location's current land use has been designated as a Resource Management Area by the MNR. As the government of Ontario made a direct commitment to the generation of renewable electricity by establishing wind power as a part of Ontario's overall electricity supply mix, a special process has been established for private wind energy developers for the placement of generating facilities on Crown land. On February 1, 2006, Gilead was selected by the MNR as the Applicant of Record for the Ostrander Point Crown Land Block. This allowed Gilead to determine the viability of developing wind energy on the lands and to proceed through the applicable approvals process to construct and operate a wind farm. As the Applicant of Record, Gilead is required to complete all applicable environmental requirements prior to any authorizations or approvals being issued by the MNR.

OSTRANDER POINT WIND ENERGY PARK**CROWN LAND INTEREST REPORT**

MNR Requirements

May 2011

Following completion of the Renewable Energy Approval (REA) process, Gilead will apply to the MNR for a lease which would allow the generation of wind energy on the site for a period of 25 years. The lease will apply to the turbine locations, as well as a 50 m buffer surrounding each turbine (total of three hectares). A separate easement will be provided for the access roads and collector lines. In addition, Gilead is required to purchase the land for the on-site substation (approximately 24 x 36 m) from the MNR.

3.0 Signatures

This Crown Land Interest Report for the Ostrander Point Wind Energy Park has been prepared in accordance with the MNR Approval and Permitting Requirements Document for Renewable Energy Projects.

Stantec Consulting Ltd. prepared this Crown Land Interest Report for Gilead Power Corporation for the Ostrander Point Wind Energy Park.

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