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Stantec

November 23, 2010
File: 160960369

Prince Edward County
332 Main Street
Picton ON K0K 2T0

Attention: Gerry Murphy, Commissioner of Planning Services

Dear Mr. Murphy:

Reference: Ostrander Point Wind Energy Park – Commissioner of Planning Report (October 12 and November 9, 2010)

On behalf of Gilead Power Corporation (Gilead), thank you for providing us with the comments developed by the Municipal Renewable Energy Team that was received by Council on October 12 and November 9, 2010. This letter has been written to address the comments provided in Attachment #3 to the Commissioner of Planning Report.

Please note that where appropriate, the Municipality's comments have also been addressed within Gilead's final Renewable Energy Approval (REA) application. In addition, it has been noted that the Commissioner of Planning Report has been submitted to the Ministry of the Environment (MOE) by the Municipality and we have circulated this response to the MOE and ask that the MOE respond to matters specifically addressed to the Province as these are matters outside of Gilead's scope of development, construction and operations of the proposed facility.

1. Additional required Municipal approvals, permits, and authorizations.

The Project Description Report (PDR) has been revised to indicate that an overweight/oversize load permit may be required. Gilead also acknowledges that an agreement between Gilead and/or the turbine manufacturer and the Municipality may be required to describe the approved route, terms of travel and the nature of repairs, etc. related to the transport of the turbines to the Project site. Gilead assures the Municipality that the final transportation plan will be developed in consultation with public works staff of the County of Prince Edward.

2. Pre-development agreements for municipal costs associated with project review, approval, construction, and operation.

Gilead commits to discussing with the Municipality the potential for a pre-development agreement related to the recovery of municipal costs associated with Project review, approval, construction and operation.

3. Requirement for a Traffic Management Plan in collaboration with the Public Works Department.

Gilead and/or the turbine supplier commits to developing a Traffic Management Plan in collaboration with the Municipality's Public Works Department.

4. Agreement for works associated with Project haul roads including assistance to the Municipality for works associated with Project haul roads.

Gilead commits to discussing details of an agreement between the Municipality and Gilead related to Project haul roads including pre-construction surveys, upgrade requirements, potential road damages and costs associated to any potentially damaged roads. Gilead also commits to discussing potential assistance to be provided to the Municipality for activities (e.g. inspections and repair) related to the Project haul roads.

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5. *Short and long term impacts to seasonal roads and the identification of roads associated with Project construction, operation, and decommissioning.*

Prior to Project construction, Gilead will indicate to the Municipality all municipal year-round and seasonal roads and road rights-of-way associated with the construction, operation, and decommissioning of the Project. Gilead understands that there are a number of roads within the Municipality including Helmer Road which are not maintained on a year-round basis and, portions of which would require upgrades (to be paid for by Gilead) sufficient for year round vehicle access to the proposed facility.

6. *Requirement for an Emergency Response Plan in collaboration with the Municipal Fire Chief.*

Gilead commits to developing an Emergency Response Plan in collaboration with the Municipal Fire Chief that takes into consideration such matters as the volunteer base of the Fire Department, provides a detailed protocol to streamline Municipal personnel action whenever they are required on-site, provides key 24/7 contact information, and actively maintains the contact information for Project personnel.

In addition, Gilead will review training requirements for municipal emergency response staff with the Municipal Fire Chief. Where required, Gilead will reimburse the Municipality for the training of EMS staff (including volunteers) as it relates to the facility.

7. *That Hydro One be advised that Council previously passed a motion requesting the use of a designated unopened road allowance and not Maypul Lane for the transmission line.*

Gilead will provide a copy of this request to Hydro One during future meeting(s) with Hydro One related to the Project.

8. *That Gilead conducts individual consultation patterned on the previous consultation with property owners along County Road 13 between both entries of Helmer Road.*

As part of the Project design including works under the new *Green Energy Act*, Gilead has continued to consult with Project stakeholders including those along County Road 13 in a meaningful manner that contributes to the better design of the Project. This has included ongoing distribution of Project newsletters, a Public Open House on November 17, 2010, and constant availability of study team members through the Project email/phone/mail contact points. Gilead will continue to consult with Project stakeholders including those along County Road 13 as the Project progresses and has developed a consultation protocol to be followed prior to and during construction as well as operation of the Project to keep stakeholders apprised of upcoming works at the Project site.

9. *That the Province develops a regulation requiring annual payment to the Municipality from renewable energy projects in the amount of \$7,500/per MW, plus profit sharing and cost of living based on , exclusive of regular taxes and recovery of costs.*

Gilead requests that the MOE provide a response to this request as it is not subject to Gilead's control nor is it specifically related to the Project.

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10. *That the Province requires identification of and mitigation measures to address the impact on the County's economy, particularly the tourism-dependent business sector during the construction phase.*

As noted within the Construction Plan Report, to the extent possible and where appropriate, local persons will be employed during the construction phase of the Project. The increased number of personnel present in the area during construction will demand some services from the local area (e.g. lodging, food, and banking) and this demand will also generate local benefits to business and services from Project spending.

In addition, the Project is to be located in the most southern portion of the County well outside of common tourism related areas in the County such as the Taste Trail and Arts Trail tour routes. Thus it is not anticipated that the Project will have an impact on the tourism-dependent business sector. The Traffic Management Plan which Gilead commits to developing in collaboration with the Municipality's Public Works Department can also be utilized to strategically minimize any potential traffic issues which could impact the tourism dependent areas of the County.

11. *That the Province requires the decommissioning plan to also address and include plans for repowering to provide for ongoing operations at the site.*

As stated within the Decommissioning Plan Report, if the economics of wind power remain viable at the time of decommissioning, the facility could be "repowered" with new technology. This process may include the replacement and/or upgrading of Project components, however specific details are unknown at this time as technological improvements over the next 20+ years are currently unknown. However, prior to any "repowering" works taking place, Gilead will prepare a report detailing the proposed works in accordance with the applicable legislation at that time. It is envisioned that this report would be provided to the MNR, MOE, County and stakeholders, however this would be confirmed by the applicable legislation at the time of repowering.

12. *That the Province creates a rehabilitation security fund similar to the Aggregate Resources Act to recover the decommissioning of a site should the owner be delinquent.*

Gilead requests that the MOE provide a response to this request as it is not subject to Gilead's control nor is it specifically related to the Project.

13. *That given the proposed construction date of August to December 2011 and the proposed routes, that Gilead be required to develop an access route by water option and/or air combinations.*

As part of the preliminary transportation route analysis, alternative methods of delivery were considered by Gilead. However, based on the significant environmental, technical, regulatory and financial implications of water and air transport, these methods were no longer considered for component transport. For example, the creation of a wharf/marina on the shore of Lake Ontario along a currently undeveloped shoreline has significant environmental and technical implications including significant impacts to the lakeshore. As previously stated, Gilead and/or the turbine supplier has committed to developing a Traffic Management Plan in collaboration with the Municipality to address any concerns related to component transport through the County.

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Other: Gilead develop a year round renewable energy interpretive/education centre being a minimum 20 foot by 20 foot using municipal land at Mariners Museum Park and overlooking the Gilead Project.

Once the Project is in operation, Gilead is open to discussing with the Municipality the creation of an interpretation centre at the Project site. Given that this is a Municipal initiative and is outside of the scope of the Project as described in the REA reports, Gilead believes there would be a requirement for public input regarding the design and development of the interpretation centre following discussions with the Municipality after Project operation has commenced. Further, based on public comment/opposition that has been received by Gilead regarding an interpretation centre at the Mariner's Museum, Gilead would not be in a position to support a centre at the Mariner's Museum and would recommend the centre to be located at the Project site.

Sincerely,

STANTEC CONSULTING LTD.



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