



NORTHLAND POWER INC.

July 4, 2011

**RE: NOTICE OF COMMENCEMENT OF AN ENVIRONMENTAL REVIEW FOR REDPATH CHP
(COGENERATION) FACILITY**

Dear Neighbour:

This letter and attached Notice are being distributed to inform you that Northland Power Inc. (Northland) is proposing to construct and operate a Combined Heat and Power, also known as Cogeneration, gas-fired facility (the Project), capable of generating 45 Megawatts (MW) of power and providing steam to the Redpath Sugar facility. Our proposed Project would be located on the Redpath Sugar property at 95 Queens Quay East, Toronto, Ontario, where the land is zoned as commercial/industrial (see reverse for Project location map).

In November 2010, the Ontario Power Authority (OPA) released a Combined Heat and Power Directive identifying that CHP facilities will play an important strategic role in Ontario's energy supply. The Ministry of Energy directed the OPA to work towards procuring up to 1,000 MW of high efficiency CHP. In June 2011, the OPA requested proposal for CHP projects and Northland formally registered with this proposed Project.

The Project is subject to regulations under Ontario's *Environmental Assessment Act* and Regulation 116/01 that include complying with the Ministry of the Environment's "Guide to Environmental Assessment Requirements for Electricity Projects". As the Notice of Commencement (see reverse) indicates, our proposed Project will be subject to an extensive environmental review that will require:

- examining the project's potential effects on the environment including human health, land, air, water, and noise;
- developing suitable measures to mitigate potential impacts; and
- conducting extensive consultations with potentially affected stakeholders.

The Notice appeared in the Toronto Star on July 5, 2011.

We are currently developing the Project concept and conducting initial environmental screening activities in anticipation of our first public open house on **Wednesday, July 20** at the **Novotel Toronto Centre – Champagne Ballroom** from **12:00 p.m. to 8:00 p.m.** In the meantime, if you have any questions, please contact me at **647-288-1249** or redpathchp@northlandpower.ca.

Respectfully,

Scott Stevens, Project Manager
Northland Power Inc.



Notice of Commencement of an Environmental Review

Redpath CHP (Cogeneration) Facility

Project Proponent: Northland Power Inc.

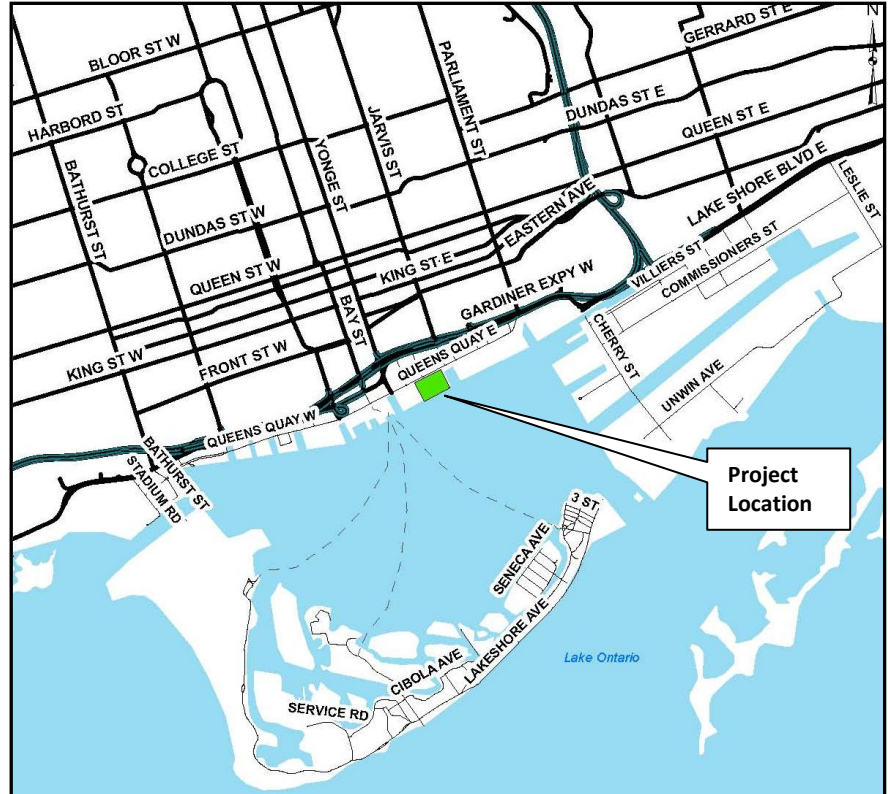
Project Description: Northland Power, an industry leading independent power producer in Ontario, is proposing a Combined Heat and Power (also known as Cogeneration) gas-fired facility (the Project), capable of generating 45 MW of power and providing steam to the existing Redpath Sugar facility.

Project Location: The proposed Project will be located at 95 Queens Quay East, Toronto, Ontario. The Project would be located at the southern portion of the existing Redpath property, where the land is zoned as commercial/industrial.

Regulations: This Project is subject to the *Ontario Environmental Assessment Act* and Ontario Regulation 116/01. An Environmental Review Report will be completed according to the Ontario Ministry of the Environment's (MOE)'s "Guide to Environmental Assessment Requirements for Electricity Projects" (2011) for category "B" projects. This guide is available online at:
<http://www.ene.gov.on.ca/envision/gp/4021e.pdf>

As part of the Environmental Review, Northland Power will:

- examine potential effects on the environment (e.g. land, air, water, noise and health);
- develop mitigation measures for potential effects; and
- consult with potentially interested and/or affected stakeholders as well as Aboriginal communities.



Golder Associates has been retained by Northland Power to carry out the technical aspects of the Environmental Review.

Public Open House

Northland Power is committed to engaging and working with stakeholder groups and Aboriginal communities throughout the development of the Project. The engagement process will seek input on local environmental and socio-economic conditions, facility design, Project benefits and mitigation/management plans. As a first step in the engagement process, Northland Power is hosting a Public Open House to introduce the Project and provide information about the Environmental Review process. Representatives from Northland Power and Golder Associates will be in attendance to discuss the Project and answer your questions.

Location: Novotel Toronto Centre – Champagne Ballroom, 45 The Esplanade, Toronto

Date: Wednesday, July 20, 2011

Time: 12:00 noon to 8:00 pm

Project Contacts and Information: If you have questions, comments or would like more information prior to the Open House, please feel free to contact us.

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