

May 12, 2017  
**VIA E-MAIL**

**Algonquin Power Co.**  
354 Davis Road  
Oakville, Ontario  
Canada L6J 2X1

Mr. Robert Maddocks, Chief Administration Officer  
Mr. David MacPherson, Public Works Manager  
The Corporation of Loyalist Township  
263 Main Street, P.O. Box 70  
Odessa, ON  
K0H 2H0

**T: 905-465-4500**  
**F: 905-465-4514**

**Reference: Amherst Island Wind Project (“AIWP”) – Operations Plan**

Dear Mr. Maddocks and Mr. MacPherson,

We write concerning the Operations Plan (“OP”) we submitted to Loyalist Township on May 2, 2017 in compliance with the Road Use Agreement (“RUA”). As you know, Windlectric has worked diligently over the past eight months to produce an OP that responds to the concerns of the Township and its residents.

Windlectric has submitted five versions of the OP, received written feedback on the drafts, attended numerous meetings with the Township’s staff, listened to the staff’s concerns, and hosted a town hall meeting with local residents. This was all done with a view to addressing comments received and creating an OP that would minimize the impact of the construction of the Amherst Island Wind Project on the area’s local residents. As a result of this diligent process, Windlectric believes it has more than met its obligations under the RUA and has addressed each of the Township’s concerns in a reasonable manner. At this juncture, with its Project obligations and associated deadlines in mind, Windlectric is keen to obtain the Township council decision on the OP.

It is Windlectric’s view that a council sanctioned position on the deficiencies, if any, as contemplated in section 38 of RUA, will be beneficial to the Township and Windlectric. The benefits include (i) ability to focus efforts on resolving any outstanding items and (ii) extinguishing the tension linked to an undefined list of council expectations in a time constrained environment. Windlectric believes a timely decision by council, with or without conditions, mitigates the risk of the parties defaulting to the arbitration provisions within the RUA.

On May 2, 2017, Windlectric submitted its most recent OP to the Township and requested, pursuant to section 38 of the RUA, that the Township place the OP before the Township council at its next scheduled meeting.

On May 5, 2017, Windlectric participated in a meeting with Chris Raffael, a Senior Environmental Officer with the Ministry of the Environment and Climate Change. During that meeting, we learned that the Township had contacted Mr. Raffael to take issue with certain aspects of the OP. Although Mr. Raffael did not have Windlectric’s most recent submission to the Township, he offered to meet with both parties to try and resolve the outstanding areas of disagreement. Windlectric personnel and Mr. Raffael both offered to meet this week at the Township’s convenience, but we understand that the Township’s counsel is unavailable in the coming weeks.

While Windlectric remains willing to continue the dialogue with the Township and welcomes Mr. Raffael's involvement to resolve any outstanding issues, the Project's looming deadlines require that the Township strictly comply with the RUA's timing provisions regarding the OP. For this reason, the OP must be placed on the docket for the council's next meeting, in accordance with the RUA. Please advise us of the date on which council will vote on the OP.

In the meantime, if the Township becomes available to meet with Windlectric and Mr. Raffael to discuss outstanding issues, we will make ourselves available, but any such meeting cannot delay council's consideration of the OP.

Windlectric looks forward to moving ahead with the Project and continuing to work constructively with all parties involved.

Regards,

Algonquin Power Co.  
(on behalf of Windlectric Inc.)



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Jeff Norman  
Chief Development Officer – Algonquin Power & Utilities Corp.

cc: Chris Raffael, Senior Environmental Officer  
Ministry of the Environment and Climate Change