

Bluewater WIND ENERGY CENTRE NEWS

VOL. 4



WELCOME

In this newsletter, you will find the latest update on the proposed Bluewater Wind Energy Centre. The Bluewater project will be located on private land in the Municipality of Bluewater in Huron County, Ontario, with a transmission line extending into the Municipality of Huron East.

Since our last newsletter, we have the following updates to share with you:

- We held public meetings in June 2012, at the Seaforth Community Centre in Seaforth and the Stanley Complex in Varna and were pleased that approximately 70 community members attended to ask questions and learn more about the project. Within this newsletter, you will see answers to some of the most frequently asked questions at the public meetings.
- In June 2012, we submitted our application to Ministry of the Environment for a Renewable Energy Approval (REA), following comprehensive study of the area and public consultation with the local community. On August 31, the REA was deemed complete by the Ministry of the Environment and, as per the Ontario Environmental Bill of Rights, the proposal was posted to the Environmental Registry for public comment for a period of 30 days which ended on September 30, 2012. For information on the status of the application visit the Environmental Registry at: www.ebr.gov.on.ca. The posting number for the application is 011-7101.

Should you have any questions, comments or suggestions, we encourage you to contact us directly at the number or email address provided below. **Your voice counts and your opinion matters.** We look forward to continued engagement with the community as we work toward developing renewable emissions-free electricity in Ontario.

Kind regards,

Nicole Geneau
Director
Bluewater Wind Energy Centre

CONTACT US

For more information or to contact us directly:

- CALL OUR TOLL-FREE NUMBER:
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- EMAIL:
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- VISIT OUR WEBSITE:
www.NextEraEnergyCanada.com/projects/Bluewater.shtml
- WRITE TO:
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ABOUT NEXTERA ENERGY CANADA

- Varna Wind, Inc. is the owner of the Bluewater Wind Energy Centre and a subsidiary of NextEra Energy Canada, ULC.
- NextEra Energy Canada, ULC is a subsidiary of NextEra Energy Resources, LLC, the largest generator of wind energy in North America.
- NextEra Energy Resources operates 100 wind projects in 4 provinces and 19 states with over 10,000 megawatts of generation.
- NextEra Energy Resources is focused on developing clean, renewable energy and approximately 95 per cent of our electricity comes from clean or renewable sources.



We value your privacy. Information will be collected and used in accordance with the Freedom of Information and Protection of Privacy Act, and will be maintained on file for use during the planning process for the proposed wind centres.

ABOUT THE BLUEWATER WIND ENERGY CENTRE

- The Bluewater Wind Energy Centre will be located on private land in the Municipality of Bluewater in Huron County, Ontario, with a transmission line extending into the Municipality of Huron East.
- The Centre will consist of 37 turbines, generating up to 60-megawatts (MW) of clean energy – enough to power approximately 15,000 homes in Ontario.
- Local economic benefits of the project include employment opportunities, added tax base for municipalities, and landowner lease payments. The Bluewater Wind Energy Centre will create an estimated 150 construction jobs and 5-8 full time local operations jobs.



NEXTERA ENERGY CANADA IN THE COMMUNITY

NextEra Energy Canada is committed to working with, and getting to know, our neighbours. In June, we had the opportunity to sponsor and meet many of you at the Gord Sprang Memorial Golf Tournament and the Scatcherd Charity Golf Tournament. In addition, NextEra Energy Canada was a proud sponsor of the Hensall Fair and the Grand Bend Rotary Club's annual Autumn Indulgence event. We look forward to continued engagement with the community and welcome your suggestions.



Morley Eagleson, Colin Scatcherd, Gary Hicks and Sally Hilton

THE FEED-IN TARIFF (FIT) PROGRAM

The Feed-in Tariff (FIT) program was created by the Ontario Power Authority (OPA) in an effort to encourage the development of renewable energy projects, such as wind and solar energy centres, in the province. The program was designed to promote investment in renewable energy projects thereby helping to build a reliable and sustainable energy system in Ontario. In addition, the FIT program supports the following objectives:

- Helps Ontario phase out coal-fired electricity generation by 2014 – the largest climate change initiative in Canada
- Boosts economic activity and the development of renewable energy technologies
- Creates new green industries and jobs

The FIT program has been in place for two years and, in that time, has undergone review

by both the OPA and residents of Ontario to identify necessary changes and ensure it is sustainable in the long-term. The OPA recently announced changes to the program, some of which are listed below. All of the changes are designed to:

- Continue Ontario's commitment to clean energy
- Streamline processes and create jobs
- Encourage greater community and Aboriginal participation
- Improve municipal engagement
- Reduce price to reflect lower costs
- Grow Ontario's clean energy economy

It is important to note that NextEra Energy Canada projects were awarded FIT contracts prior to the recent changes, and are subject to the original program requirements.

KEY CHANGES TO THE FIT PROGRAM INCLUDE:

- Submission of applications only during an application window, and no longer on an ongoing basis
- Each application to be assigned points and prioritized based on applicant type, municipal support, Aboriginal support, project readiness and electricity system benefit
- Ten per cent of remaining capacity to be reserved for projects with significant participation from local or Aboriginal communities.
- Prices to be reduced by approximately 20 per cent for solar projects and 15 per cent for wind projects

For more information on the FIT program, please visit fit.powerauthority.on.ca.

FREQUENTLY ASKED QUESTIONS

Q: WHAT HAPPENS ONCE THE RENEWABLE ENERGY APPROVAL APPLICATION HAS BEEN SUBMITTED TO THE MINISTRY OF ENVIRONMENT?

A: Proposed wind and renewable energy projects in Ontario must go through an approval process regulated by the Ministry of the Environment and the Ministry of Natural Resources. Under the Renewable Energy Approval (REA) process, a proposed wind project must show that it meets the guidelines as set out by Ontario's Green Energy Act.

As part of the REA process, we undertook and supplied a number of comprehensive studies that assessed how the proposed project will impact the cultural and heritage resources, natural environment as well as the local community. These studies were included as a formal component of our REA documentation, which was reviewed by a number of provincial government agencies including the Ministry of Natural Resources, Ministry of Transportation, Ministry of Tourism and Culture, as well as conservation authorities. These studies are available on our website for your review at, www.nexteraenergycanada.com/projects/bluewater.shtml.

In June 2012, NextEra Energy Canada submitted the REA for the Bluewater project to Ontario's Ministry of the Environment. A notice of filing has been made available on the Ministry's registry and was open for public input. Comments about of the proposal were submitted to the Director through the Environmental Registry and can be found at: www.ebr.gov.on.ca. The posting number for the application is 011-7101. Comments were accepted for a period of 30 days from the time of posting until September 30, 2012. We anticipate the REA process will be ongoing until early 2013, and we will continue to keep the community informed.

Q: WHAT ARE THE ECONOMIC BENEFITS OF WIND ENERGY?

A: Wind energy provides:

- Tax income to rural communities – to schools, libraries and other public services benefiting the entire community.
- Diversified income to farmers and ranchers, enabling them to continue using their land, as they always have to help feed the world. With wind energy, they are also helping power North America with clean, renewable electricity.
- Indirect income to local businesses, including motels, caterers and office supply companies.

Q: WHAT ARE THE ENVIRONMENTAL BENEFITS OF WIND ENERGY?

A: Wind energy:

- Is clean, relying solely on the wind to generate electricity – therefore, it creates no greenhouse gases or other air pollutants
- Uses no water resources to generate electricity
- Provides a renewable fuel supply
- Creates no waste by-products for disposal
- Results in no hazardous cleanup at the end of a project's productive life

¹ For example, see: Ernest Orlando Lawrence and Berkeley National Laboratory - The Impact of Wind Power Projects on Residential Property Values in the United States: A Multi-Site Hedonic Analysis (Dec 2009) and CanWEA - Wind Energy Study - Effect on Real Estate Values in the Municipality of Chatham-Kent, Ontario (Feb 2010)

Q: WHO IS RESPONSIBLE FOR THE REMOVAL OF TURBINES AT THE END OF THE CONTRACT?

A: At the end of the lease agreement, or any time in between, NextEra Energy Canada is responsible for and has a legal obligation to the landowner to disassemble wind turbines and wind turbine towers and return the land to its original condition.

As part of the REA permit, NextEra Energy Canada is responsible for outlining plans should a wind turbine need to be removed. This report has been released in draft for public comment and has been subsequently filed with the Ministry of Environment as part of the project's REA application. NextEra Energy Canada anticipates that compliance with these plans will likely be a requirement of the REA.

Q: WILL THIS PROJECT AFFECT THE PROPERTY VALUES OF OUR HOMES?

A: Multiple studies¹ have found that property values of homes are not impacted by the existence of a wind facility in the area. According to the 2010 study 'Effect on Real Estate Values in the Municipality of Chatham-Kent', Ontario:

"In the study area, where wind farms were clearly visible, there was no empirical evidence to indicate that rural residential properties realized lower sale prices than similar residential properties within the same area that were outside of the view-shed (the area in which the turbines can be seen) of a wind turbine. No statistical inference to demonstrate that windfarms negatively affect rural residential market values in Chatham-Kent was apparent in this analysis."



SELECTING A WIND FARM SITE

Selecting a site for a wind farm involves many steps. The ultimate objectives of choosing a site are to make certain there is minimal impact to the environment and community and – only when this is ensured – identify areas with the best potential to generate electricity from wind.

The team responsible for selecting a site considers a number of factors. Each factor is critical in the decision making process and can be broadly separated into two categories:

1. What features are required to meet the needs of a wind energy site (logistical and regulatory)

2. What features must be avoided to meet the needs of a wind energy site (logistical and regulatory)

FEATURES REQUIRED

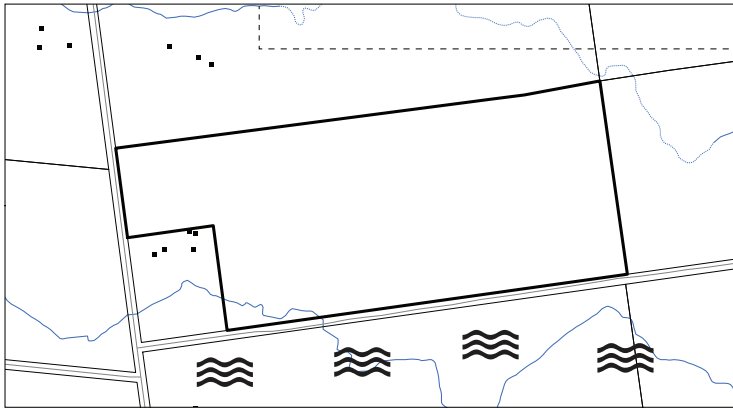
- Land situated near a consistent wind resource (steady flow of wind)
- Access to, and availability on, high voltage transmission lines (to transmit wind energy from the turbine to the power grid)
- Land owners willing to participate in the project

FEATURES THAT MUST BE AVOIDED

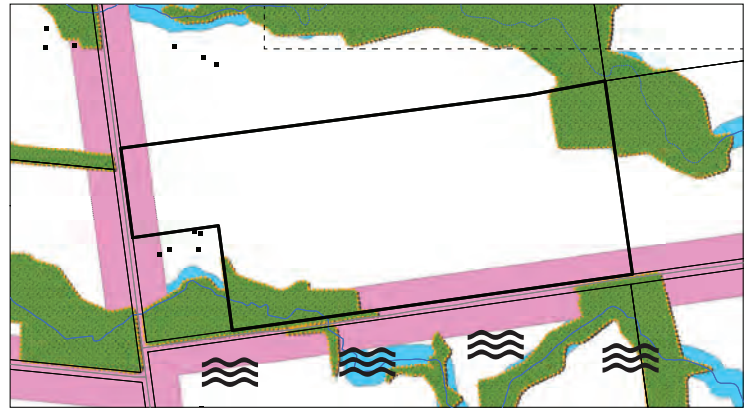
- Natural features such as wooded areas, wetlands, wildlife habitat
- Aquatic features such as streams and water bodies
- Infrastructure such as roads, railways, property lines, and houses that do not want to participate in the wind project

The image below shows how different factors – including features required and features to be avoided – each contribute to how a site is selected.

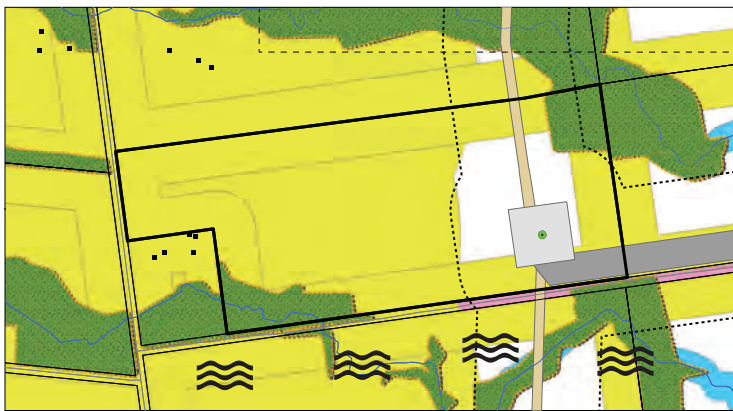
STEP 1: Identify site with all required features



STEP 2: Identify biological, aquatic and local infrastructure constraints



STEP 3: Identify residences and property lines. Conduct community consultation and then site wind farm in remaining space



LEGEND

Required site features

- Close to wind source
- Access to transmission lines
- Available land/property participating landowners

Features to be avoided

- Biological constraints
- Aquatic constraints
- Local infrastructure constraints
- Land (residence/property line) constraints

Final wind farm site

- Turbine collection line
- Wind turbine

NextEra Energy Canada is committed to meeting or exceeding all of the regulatory requirements and working with the community to ensure we select the most appropriate sites for generating wind energy.