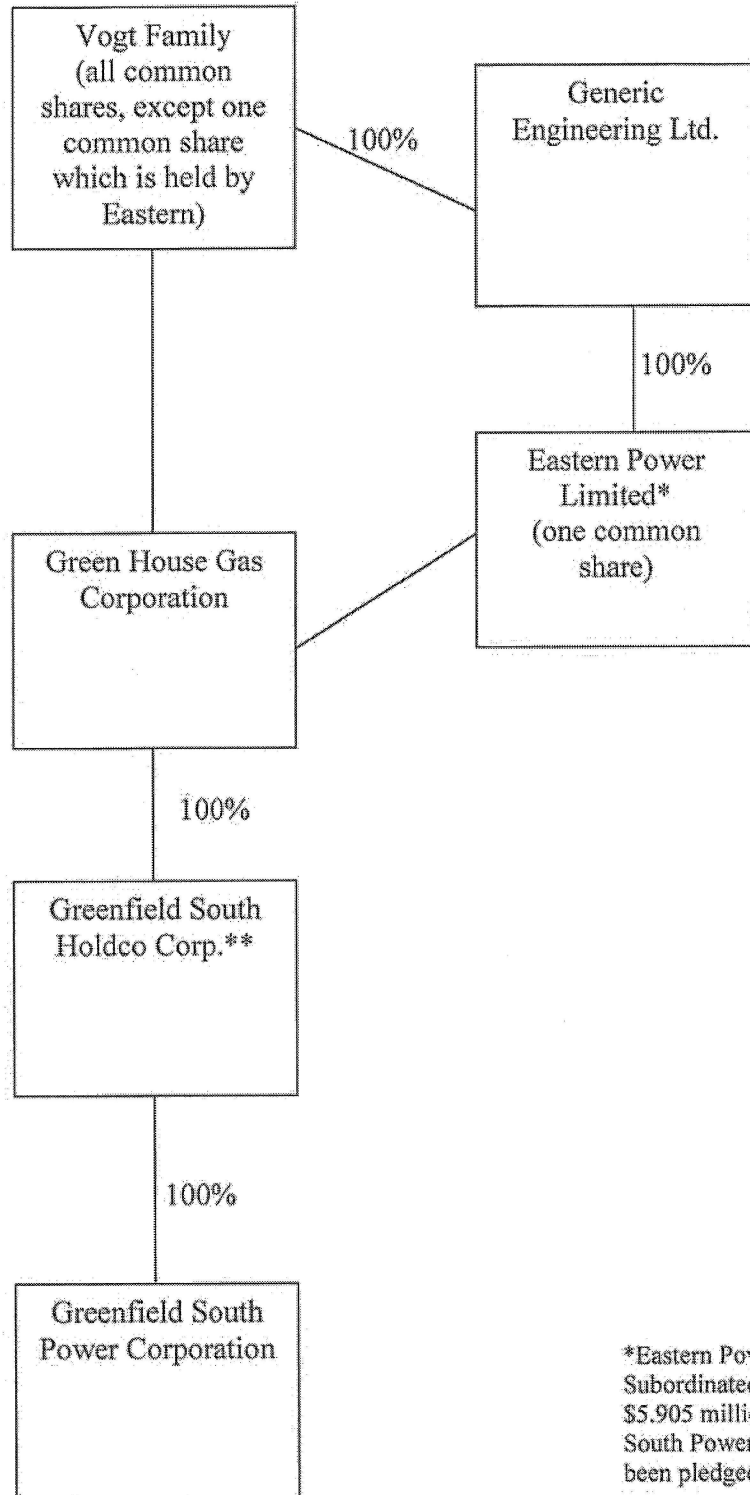


GRAZIER TRANSPORT LIMITED	508.50
GLOBAL WASTE SERVICES INC.	2,442.38
HD SUPPLY CANADA INC.	1,409.00
H.E.L.P. SAFETY SERVICES	69,259.75
HOWE GASTMEIER CHAPNIK LTD.	1,038.19
HOUSE OF ELECTRICAL	3,630.06
HOGAN LOVELLS US\$	14,676.00
HOWELL PIPE & SUPPLY	20,767.49
HY-TEC SECURITY INC.	339.00
JOHN BROOKS COMPANY LIMITED	2,288.03
KOBELCO COMPRESSORS AMERICA INC US\$	319,131.00
LAFARGE CANADA INC	901.56
LIVINGSTON	108.34
LLOYD & PURCELL LTD	3,950.59
LVM INC.	43,515.56
McMILLAN LLP	10,110.75
MUNRO CONCRETE PRODUCTS LTD	30,599.76
MEVA FORMWORK SYSTEMS INC.	203,512.74
MISSISSAUGA HARDWARE CENTRE INC.	54,909.86
MILLER MOBILE OFFICES	4,893.50
MMVI INC.ELECTRIC SERVICE	2,260.00
MATHESON VALVES	104,923.07
NATIONAL CONCRETE ACCESSORIES	19,537.26
NOOTER/ERIKSEN US\$	1,337,724.13
NORAMCO	20,701.13
NORTHWEST PIPE COMPANY	207,408.64
PRIMARY POWER DESIGNS INC.	312,784.00
PROCESS PIPE SUPPORT SYSTEMS INC.	3,671.78
PRAXAIR DISTRIBUTION	31,875.43
REPRODUX LIMITED	519.62
RICHARDS WILCOX CUSTOM SYSTEMS CRANES	9,492.00
RODAN ENERGY SOLUTIONS INC.	14,382.18
SESCO DIVISION OF SONEPAR CANADA	1,983.85
SKYWAY CANADA LTD.	1,107.40
SAMUEL SON & CO LIMITED	8,586.25
SUPER SAVE DISPOSAL (ONTARIO) INC.	96.05
STEPHENSON'S RENTAL SERVICES	131,585.73
STANTEC CONSULTING LTD.	8,179.12
SULZER PUMPS US\$	32,085.22
TEXCAN	33,374.68
THOMAS F. DONOVAN US\$	4,516.36
FASTENING HOUSE INC.	20,399.47
TRADE MARK INDUSTRIAL INC.	132,085.99
TRANSITAINER TERMINALS	6,610.50

ULINE CANADA CORPORATION	615.64
VINSON & ELKINS LLP US\$	21,282.93
VAN NESS FELDMAN US\$	1,076.24
VIRELEC LTD	52,629.19
WESTLAKE INDUSTRIES INC.	303,468.92
WILLIAMS SCOTSMAN	994.40
	13,140,357.20

SCHEDULE B
EQUITY INTEREST HOLDERS IN GREENFIELD SOUTH AND EASTERN



*Eastern Power Limited holds a Subordinated Promissory Note for \$5.905 million issued by Greenfield South Power Corporation which has been pledged to EIG.

** EIG holds warrants in Greenfield South Holdco Corp. representing up to 24.9% of the equity interests in Greenfield South Holdco Corp.

Cayley, Daniel (ENERGY)

From: Calwell, Carolyn (ENERGY)
Sent: December-22-11 12:20 PM
To: 'Michael Lyle'
Subject: RE: OPA Side letter
Attachments: image001.gif

gif attachment is
image below

Thanks, Mike. When we spoke, I should have asked if you have any paper that you can share on the new proposal?

Carolyn

From: Michael Lyle [mailto:Michael.Lyle@powerauthority.on.ca]
Sent: December 22, 2011 11:12 AM
To: Perun, Halyna N. (ENERGY)
Cc: Calwell, Carolyn (ENERGY)
Subject: OPA Side letter

Michael Lyle
General Counsel and Vice President
Legal, Aboriginal & Regulatory Affairs
Ontario Power Authority
120 Adelaide Street West, Suite 1600
Toronto, Ontario, M5H 1T1
Direct: 416-969-6035
Fax: 416.969.6383
Email: michael.lyle@powerauthority.on.ca

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Cayley, Daniel (ENERGY)

From: Calwell, Carolyn (ENERGY)
Sent: December-22-11 12:25 PM
To: Perun, Halyna N. (ENERGY)
Subject: FW: Mississauga Gas Plant

fyi

From: Calwell, Carolyn (ENERGY)
Sent: December 22, 2011 12:24 PM
To: Sinclair, James (FIN)
Cc: Hanslep, Malle (FIN)
Subject: Mississauga Gas Plant

Jim,

As you may be aware, discussions continue between the OPA and Greenfield South about the cancellation of the Mississauga Gas Plant and its "relocation" to another site. One of the complicating factors is Greenfield's credit arrangements.

The Ontario Power Authority is currently developing a proposal around forcing Greenfield into CCAA protection. Ontario Power Generation would then have some sort of a joint venture with a new Greenfield entity to purchase the assets of the original Greenfield company. These assets would then be used to develop a new project at a new site.

Deputy Lindsay has asked us to think about this proposal (we've seen nothing in writing) and loop you in. I called Malle to see who might be best to talk about and she suggested Tony Golding. I will give him a call. At this point, I think we're just trying to get our heads around the structures and the advantages and disadvantages of proceeding in this way – to the extent they can be determined with the little information that we have.

I will let you know more as this unfolds. I am certainly happy to try to answer any questions you might have in the meantime.

Carolyn

Carolyn Calwell
Deputy Director
Ministry of Energy & Ministry of Infrastructure
Legal Services Branch
Ministry of the Attorney General
777 Bay Street, Suite 425
Toronto ON M5G 2E5
416.212.5409

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Cayley, Daniel (ENERGY)

From: Michael Lyle <Michael.Lyle@powerauthority.on.ca>
Sent: December-22-11 12:32 PM
To: Calwell, Carolyn (ENERGY)
Subject: RE: OPA Side letter
Attachments: 22431262_1 (2).doc; image001.gif

gif attachment is
image below

See attached. Very much a work in progress.

Michael Lyle
General Counsel and Vice President
Legal, Aboriginal & Regulatory Affairs
Ontario Power Authority
120 Adelaide Street West, Suite 1600
Toronto, Ontario, M5H 1T1
Direct: 416-969-6035
Fax: 416.969.6383
Email: michael.lyle@powerauthority.on.ca

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From: Calwell, Carolyn (ENERGY) [mailto:Carolyn.Calwell@ontario.ca]
Sent: December 22, 2011 12:20 PM
To: Michael Lyle
Subject: RE: OPA Side letter

Thanks, Mike. When we spoke, I should have asked if you have any paper that you can share on the new proposal?

Carolyn

From: Michael Lyle [mailto:Michael.Lyle@powerauthority.on.ca]
Sent: December 22, 2011 11:12 AM
To: Perun, Halyna N. (ENERGY)
Cc: Calwell, Carolyn (ENERGY)
Subject: OPA Side letter

Michael Lyle
General Counsel and Vice President
Legal, Aboriginal & Regulatory Affairs
Ontario Power Authority
120 Adelaide Street West, Suite 1600
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**Step Plan for Potential Acquisition of the Assets
Greenfield South Power Corporation (“Greenfield”)**

1. Approach OPG to determine if OPG willing to enter into a joint venture (“NewCo”) with Eastern Power (a parent company of Greenfield) to develop a new facility (on an OPG site) with a capacity greater than 300 MW (perhaps 500 MW to 600 MW) (“New Facility”). Newco would be owned and controlled 50/50 by OPG and Eastern Power.
2. OPA would provide OPG with funds to capitalize NewCo. A partnership/joint venture agreement will be entered into with OPG and Eastern Power to govern the relationship (the unpaid Equity Sunk Costs of Eastern to be addressed in this agreement). The OPA, OPG and Eastern Power would enter into an implementation agreement (“IA”) to negotiate the commercial and financial details of the New Facility for a period of [60-90] days.
3. NewCo would make a bid to acquire the assets of Greenfield in CCAA proceeding – NewCo would agree to assume all trade debt and existing equipment supply contracts (for Relocated Equipment to be used for the new facility (including the GE contract for the gas turbine)) of Greenfield under the bid and pay fair market value for Greenfield’s assets. The debt of EIG would not be assumed. If agreement is reached under the IA for a New Facility, the costs incurred by NewCo in taking out the claims of Greenfield and the unpaid Equity Sunk Costs of Eastern would be factored into the NRR or capacity payment under the CES Contract for the New Facility. If there is no agreement on the New Facility, the OPA would indemnify OPG for its capitalization of NewCo and would agree to pay the balance of the unpaid Equity Sunk Costs to Eastern Power.
4. Financing would need to be made available to Greenfield in its CCAA proceedings. The lender entity (i.e., OPG) would need to be identified.
5. Osler and McMillan to identify a licensed firm to act as the purported monitor and its counsel of Greenfield in its CCAA proceeding (the “Monitor”). Greenfield files for protection under the CCAA with bid in hand from NewCo – able to tell court that it is a going concern outcome and preservation of jobs, supply chain etc – easier to manage CCAA process.
6. Sales process for the assets of Greenfield would need to occur under CCAA (30 to 60 day process).
7. If NewCo wins, the assets of Greenfield would be transferred to NewCo by court order free of the claims of EIG.

[NTD: We have not yet resolved what should happen with the OPA indemnity in favour of Greenfield South relating to Secured Lender claims proven in court and whether the Certificate of Air would be released by Greenfield as part of this process. This requires further discussion with Greenfield’s counsel.]

Cayley, Daniel (ENERGY)

From: Gadi Mayman <Gadi.Mayman@ofina.on.ca>
Sent: December-22-11 3:21 PM
To: Lindsay, David (ENERGY)
Subject: Re: Mississauga

I'll call you in about 5 minutes.

From: Lindsay, David (ENERGY) [mailto:David.Lindsay@ontario.ca]
Sent: Thursday, December 22, 2011 01:10 PM
To: Gadi Mayman
Subject: Re: Mississauga

I have a 4 o'clock in Whitney block so closer to 3:30 is best for me. I can call you or you can call me.

From: Gadi Mayman <Gadi.Mayman@ofina.on.ca>
To: Lindsay, David (ENERGY)
Sent: Thu Dec 22 13:01:45 2011
Subject: RE: Mississauga

Are you available between 3:30 and 4?

From: Lindsay, David (ENERGY) [David.Lindsay@ontario.ca]
Sent: Thursday, December 22, 2011 9:33 AM
To: Gadi Mayman
Subject: Mississauga

Hi Gadi,

Need to fill you in on an issue... understand you aren't in this week but if you could call my cell (647) 262-3927

David

This message, including any attachments, is meant only for the use of the individual(s) to whom it is intended and may contain information that is privileged/confidential. Any unauthorized use, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message, including any attachments, without reading them, and destroy all copies. Thank you.

Cayley, Daniel (ENERGY)

From: Calwell, Carolyn (ENERGY)
Sent: December-22-11 5:48 PM
To: Lindsay, David (ENERGY)
Cc: Jennings, Rick (ENERGY)
Subject: Mississauga Gas Plant
Attachments: 22431262_1 (2).doc

Confidential/Solicitor-Client Privileged

Deputy,

Thank you for your message about the OPA's current proposal to resolve the Greenfield site. I followed up with Mike Lyle and my Finance and CLOC colleagues and we are starting to think through the concept. Mike Lyle sent the attached description of the proposal. He described it as a work in progress.

I understand that the OPA will meet with OPG in the first week of January. We will think about the proposal and alternatives (although apart from paying the break fee, I'm not sure there are many). We will also start to get our heads around CCAA proceedings.

Carolyn

Carolyn Calwell
Deputy Director
Ministry of Energy & Ministry of Infrastructure
Legal Services Branch
Ministry of the Attorney General
416.212.5409

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Greenfield South Power Corporation (“Greenfield”)**

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2. OPA would provide OPG with funds to capitalize NewCo. A partnership/joint venture agreement will be entered into with OPG and Eastern Power to govern the relationship (the unpaid Equity Sunk Costs of Eastern to be addressed in this agreement). The OPA, OPG and Eastern Power would enter into an implementation agreement (“IA”) to negotiate the commercial and financial details of the New Facility for a period of [60-90] days.
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4. Financing would need to be made available to Greenfield in its CCAA proceedings. The lender entity (i.e., OPG) would need to be identified.
5. Osler and McMillan to identify a licensed firm to act as the purported monitor and its counsel of Greenfield in its CCAA proceeding (the “Monitor”). Greenfield files for protection under the CCAA with bid in hand from NewCo – able to tell court that it is a going concern outcome and preservation of jobs, supply chain etc – easier to manage CCAA process.
6. Sales process for the assets of Greenfield would need to occur under CCAA (30 to 60 day process).
7. If NewCo wins, the assets of Greenfield would be transferred to NewCo by court order free of the claims of EIG.

[NTD: We have not yet resolved what should happen with the OPA indemnity in favour of Greenfield South relating to Secured Lender claims proven in court and whether the Certificate of Air would be released by Greenfield as part of this process. This requires further discussion with Greenfield’s counsel.]

Cayley, Daniel (ENERGY)

From: King, Ryan (ENERGY)
Sent: December-23-11 8:52 AM
To: Jenkins, Allan (ENERGY); McKeever, Garry (ENERGY); MacCallum, Doug (ENERGY)
Subject: FW: Greenfield

-----Original Message-----

From: Collins, Jason R. (ENERGY)
Sent: December 23, 2011 8:52 AM
To: King, Ryan (ENERGY)
Subject: FW: Greenfield

-----Original Message-----

From: Calwell, Carolyn (ENERGY)
Sent: December 22, 2011 6:27 PM
To: Collins, Jason R. (ENERGY)
Subject: Fw: Greenfield

In Joseph's absence.

----- Original Message -----

From: Calwell, Carolyn (ENERGY)
To: Lindsay, David (ENERGY); Jennings, Rick (ENERGY)
Cc: Silva, Joseph (ENERGY)
Sent: Thu Dec 22 18:25:53 2011
Subject: Greenfield

Confidential/Solicitor-Client Privileged

I just heard from the OPA that one of Greenfield's secured lenders filed a Proceedings Against the Crown notice yesterday. I am trying to track it down. If so, this is the first step in litigation, although a Statement of Claim must wait at least 60 days.

Carolyn

Cayley, Daniel (ENERGY)

From: Calwell, Carolyn (ENERGY)
Sent: December-23-11 9:51 AM
To: Kendik, James (JUS)
Cc: Das, Karthik (JUS)
Subject: RE: Greenfield

Thanks, James. Shona Compton and Len Marsello have been working on these issues a bit. Not sure if they are the right people in light of most recent developments, which also include a proposal by the Ontario Power Authority to get Greenfield into CCAA proceedings and have a joint venture involving Ontario Power Generation emerge with the assets and some of the debt. The thinking on that proposal is nascent, and will be pursued by the OPA and OPG in the first week of January. We will be asked for our thoughts as the proposal develops.

Carolyn

-----Original Message-----

From: Kendik, James (JUS)
Sent: December 23, 2011 9:46 AM
To: Calwell, Carolyn (ENERGY)
Cc: Das, Karthik (JUS)
Subject: RE: Greenfield

Carolyn,

We received notice yesterday. I will ask my file intake clerk Karthik to send this to you asap. We are in the process of assigning counsel.

Thanks very much,
James

James Kendik, Counsel
Deputy Director
Crown Law Office-Civil
McMurtry-Scott Building
720 Bay Street, 8th Floor Toronto, ON M7A 2S9
Tel: (416) 326-7246 Fax: (416) 326-4181
Blackberry: (416) 524-9407
P Please consider the environment before printing this e-mail

-----Original Message-----

From: Calwell, Carolyn (ENERGY)
Sent: December 22, 2011 6:05 PM
To: Kendik, James (JUS)
Subject: FW: Greenfield

Hi James - in Craig's absence.

-----Original Message-----

From: Calwell, Carolyn (ENERGY)
Sent: December 22, 2011 6:04 PM
To: Slater, Craig (JUS)
Cc: Lung, Ken (JUS)
Subject: FW: Greenfield

Hi Craig - wondering if you have seen a PACA notice on the Mississauga Gas Plant?

Carolyn

-----Original Message-----

From: Michael Lyle [mailto:Michael.Lyle@powerauthority.on.ca]
Sent: December 22, 2011 5:57 PM
To: Perun, Halyna N. (ENERGY)
Cc: Calwell, Carolyn (ENERGY)
Subject: Greenfield

We have been advised by counsel for the major secured lender (EIG) that the Crown has been served as of yesterday with notice of proceedings against the Crown in this matter.

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Cayley, Daniel (ENERGY)

From: Rehob, James (ENERGY)
Sent: December-23-11 3:23 PM
To: Calwell, Carolyn (ENERGY)
Subject: FW: Mississauga Plant
Attachments: Greenfield South (14 Dec).ppt; Greenfield South BN .doc

FYI: Received these documents from Ryan King in response to a voice-mail earlier today asking for any new info on Greenfield. The second appears to be a (previous) version of a MAG Note (or the template was used) but I don't think it tracks with our final note. Thanks! James

-----Original Message-----

From: King, Ryan (ENERGY)
Sent: December 23, 2011 11:00 AM
To: Rehob, James (ENERGY)
Subject: FW: Mississauga Plant

Hi James,
Per your call, this should be useful.
Merry Christmas
Ryan

-----Original Message-----

From: King, Ryan (ENERGY)
Sent: December 14, 2011 2:17 PM
To: Imbrogno, Serge (OFA)
Subject: Fw: Mississauga Plant

Hi Serge, some greenfield materials attached.
Ryan

----- Original Message -----

From: King, Ryan (ENERGY)
To: 'Jennings, Rick (ENERGY)'
Sent: Wed Dec 14 10:14:38 2011
Subject: RE: Mississauga Plant

Rick, a few materials including background material from a recent deck, and a note that has the chronology. If you're ok with this I can send along to Serge.

-----Original Message-----

From: Jennings, Rick (ENERGY)
Sent: December 14, 2011 9:54 AM
To: Imbrogno, Serge (OFA)
Cc: King, Ryan (ENERGY)
Subject: RE: Mississauga Plant

Yes we'll send you something on this.

Unrelated content removed

-----Original Message-----

From: Serge Imbrogno [mailto:Serge.Imbrogno@ofina.on.ca]

Sent: December 14, 2011 6:26 AM

To: Jennings, Rick (ENERGY)

Subject: Mississauga Plant

Hi Rick,

Steve O. asked for a briefing on the Mississauga plant. Do you have any notes or presentations that you could share with me? We've mainly been involved because of Keele Valley so I don't have much on the core issue.

Serge

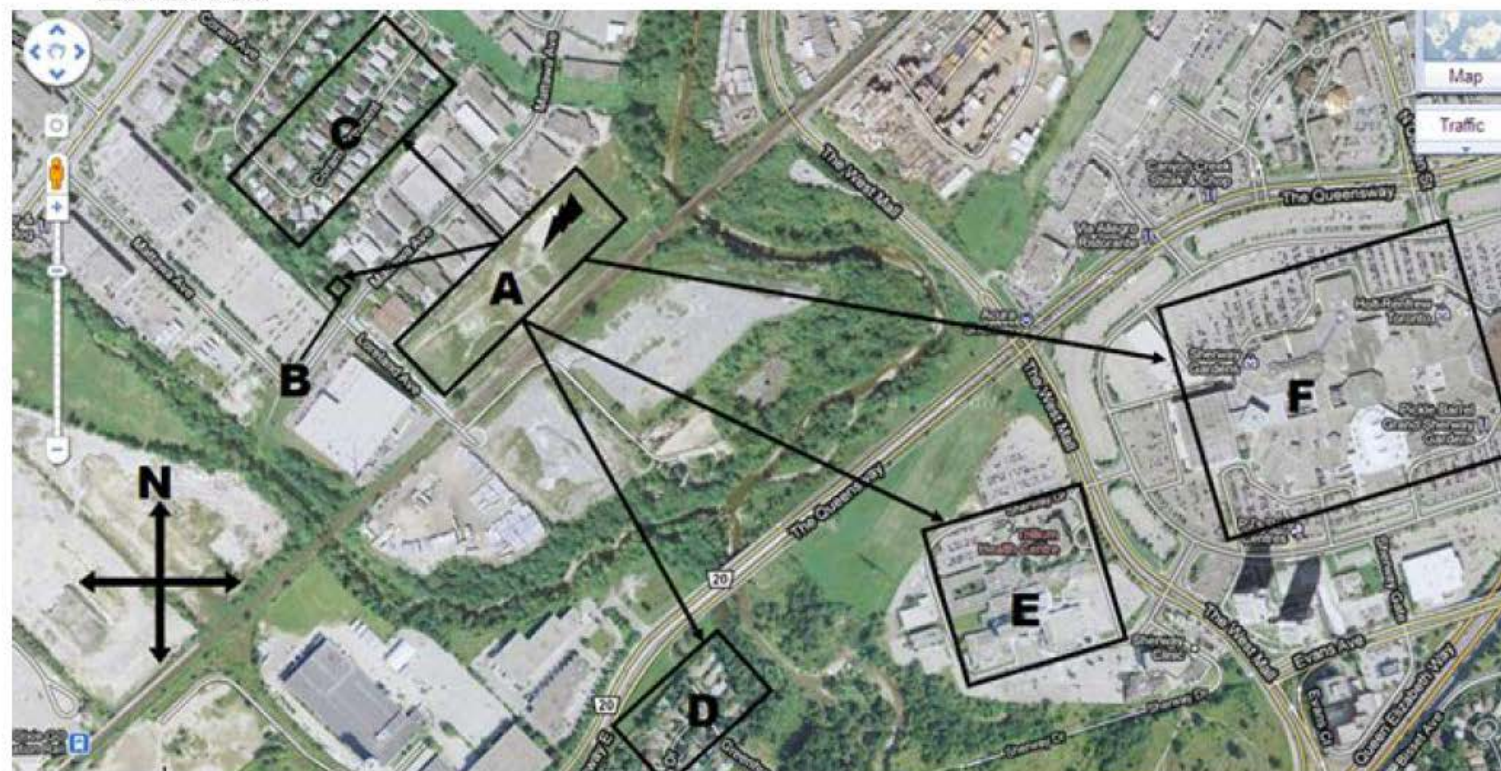
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Appendix 1

Greenfield South Background

Key Facts About the Greenfield South Plant

- Greenfield South Power Corporation (controlled by Eastern Power Corporation) was the successful applicant in Ministry of Energy run Clean Energy Supply (CES) RFP and signed a contract with the OPA in April 2005.
- Eastern Power, based in Ontario, has received all required provincial approvals, including Environmental Assessment and Certificates of Approval.
- Eastern Power has received all required municipal approvals, including building site approval from the City of Mississauga issued in May 2011.
- Eastern Power has secured debt financing from Credit Suisse and ElG (confirmed by the OPA).



Legend:

A – Proposed Greenfield Site
 B – Closest House
 C – Closest Subdivision (North)
 D – Closest Subdivision (South)
 E – Trillium Heath Centre
 F – Sherway Gardens Mall

Distance:

A to B: 220 Meters
 A to C: 270 Meters
 A to D: 500 Meters
 A to E: 740 Meters
 A to F: 910 Meters



*Plant construction as of 28 September 2011



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Ministry of the Attorney General

Briefing Note

Legal Services Division

Legal Services Branch – ENE/MOI

ISSUE:

- Greenfield South Gas Generating Plant in Mississauga
- It is proposed that the Ministry of Energy work with the Ontario Power Authority (OPA) to enter into discussions with Greenfield South Power Corporation (controlled by Eastern Power Corporation, referred to as “Eastern Power”) towards a satisfactory resolution of the Mississauga site

BACKGROUND

- Eastern Power is developing the Greenfield South Generating Station, a 280 MW combined cycle natural gas plant under construction in the City of Mississauga on a 4.5 hectare property at 2315 Loreland Avenue.
- The project arose out of a Ministry of Energy Clean Energy Supply (CES) procurement process in 2004. This contract was eventually assumed by the OPA.
- The project was undertaken to meet local reliability needs for the Southwest and Western GTA and has been positioned as part of the coal closure strategy.
- The plant is 200 metres from the nearest residence, 700 metres from the nearest hospital and 1.1 km from the nearest school.
- The project is strongly opposed by local residents. On October 12, 2011, the Mississauga Council passed a motion requesting that the government and the Premier take immediate action to cancel the contract, stop construction and return the site to pre-construction condition.
- In 2007, the Ontario Municipal Board reviewed and approved of the zoning of the project site after a lengthy and protracted process.
- In 2008, Ministry of Environment (MOE) granted all necessary environmental approvals.
- In March 2011, OPA renegotiated the initial Commercial Operation Date (C.O.D.) with Eastern Power, in recognition of lengthy regulatory approvals and financing delays experienced by Eastern Power. The new Milestone Date for Commercial Operation, when the plant is required to be fully operational, is September 1, 2014.
- In May 2011, Eastern Power finalized its financing arrangements with Credit Suisse and EIG. Around that time, the City of Mississauga issued building permits for the construction at the site.

- In June 2011, MOE announced that it will conduct an updated review of the approval for the gas plant to assess recent developments. No end-date was set for this process.
- In July 2011, Eastern Power reported that it had laid foundations for the steam and gas turbine halls and placed orders for the major equipment (generators, turbines, etc.).
- On June 16, the Minister of the Environment John Wilkinson announced that the Ministry of the Environment would conduct an updated review of the approval for the Greenfield South facility to assess recent developments. The review was to take as long as the ministry needed to confirm that the project can proceed in a manner that is fully protective of public health and the environment.
- The Environmental Approval for the generating plant is specific to the site, and is not transferable.
- On September 24th, several media outlets reported on the Liberal party's campaign commitment to relocate the proposed Greenfield South generating station to a location outside Mississauga and Oakville.
- In a news release, Ontario Liberal candidates Charles Sousa, Donna Cansfield, Laurel Broten and Dipika Damerla said the party would work with the developer to find a new location for the plant.
- On October 24, 2011, as the result of a release from the leader of the Opposition, several media reported on the continuing construction at the site, including delivery of a generator.
- On November 21, 2011, Minister of Energy Chris Bentley issued a statement that the OPA had advised that Greenfield had agreed to stop construction immediately. Discussions between OPA and GS on relocation continue.
- Construction continues at the site. Eastern Power has informed the OPA that it will not "down tools" until it receives formal notification of next steps.
- Next steps would require the OPA to be asked to approach Eastern Power to initiate discussions.
 - The discussion would likely include potential treatment of costs incurred to date (sunk costs—including equipment costs), treatment of construction and equipment related contracts, estimates and treatment of foregone revenue, and options and Eastern's interest with respect to relocating to an alternative site.

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Cayley, Daniel (ENERGY)

From: Collins, Jason R. (ENERGY)
Sent: December-23-11 5:17 PM
To: Calwell, Carolyn (ENERGY)
Subject: FW: Greenfield South Gas Generating Plant in Mississauga
Attachments: 0040-000043232 – EIG Management Company, LLC.PDF; Greenfield South BN.23 12 2011.2.doc

Duplicate Attachments removed

From: Collins, Jason R. (ENERGY)
Sent: December 23, 2011 4:52 PM
To: Turnbull, Tiffany (CAB); Hume, Steen (CAB)
Cc: 'Silva, Joseph (ENERGY)'
Subject: Greenfield South Gas Generating Plant in Mississauga

Hi Tiffany & Steen – please find attached Proceedings Against the Crown Act notice, received by MAG yesterday. MAG, including CLOC, the ADAG's office, and MOF Legal are fully looped in.

There isn't much we can do at this stage without further details of the proposal. ENERGY Legal will follow up with Mike Lyle (OPA) on January 3rd for further details.

Jason
(for Joseph Silva)

From: Calwell, Carolyn (ENERGY)
Sent: December 23, 2011 4:31 PM
To: Lindsay, David (ENERGY)
Cc: Jennings, Rick (ENERGY); Silva, Joseph (ENERGY); Collins, Jason R. (ENERGY)
Subject: Greenfield

Confidential/Solicitor Client Privileged

Deputy,

Attached is the Proceedings Against the Crown Act notice, received by MAG yesterday. This puts EIG Management Company, LLC in position to issue a Statement of Claim against the Crown any time on or after February 20th. The attached note sets out claims in the PACA notice and also describes in high level terms the OPA's proposal. The PACA notice does not prevent pursuit of this proposal.

MAG, including CLOC and the ADAG's office, and MOF Legal are fully looped in. There isn't a lot more that we can do at this stage without further details of the proposal. I will follow up with Mike Lyle on January 3rd for further details.

Happy holidays!

Carolyn

This communication may be solicitor/client privileged and contain confidential information only intended for the person(s) to whom it is addressed. Any dissemination or use of this information by others than the intended recipient(s) is prohibited. If you have received this message in error please notify the writer and permanently delete the message and all attachments. Thank you.

Cayley, Daniel (ENERGY)

From: Collins, Jason R. (ENERGY)
Sent: December-23-11 5:17 PM
To: Calwell, Carolyn (ENERGY)
Subject: FW: Greenfield South Gas Generating Plant in Mississauga
Attachments: 0040-000043232 – EIG Management Company, LLC.PDF; Greenfield South BN.23 12 2011.2.doc

From: Collins, Jason R. (ENERGY)
Sent: December 23, 2011 4:55 PM
To: MacLennan, Craig (ENERGY)
Cc: Silva, Joseph (ENERGY)
Subject: FW: Greenfield South Gas Generating Plant in Mississauga

Hi Craig – please find attached Proceedings Against the Crown Act notice, received by MAG yesterday. MAG, including CLOC, the ADAG's office, and MOF Legal are fully looped in.

There isn't much we can do at this stage without further details of the proposal. ENERGY Legal will follow up with Mike Lyle (OPA) on January 3rd for further details.

Jason
(for Joseph Silva)

From: Calwell, Carolyn (ENERGY)
Sent: December 23, 2011 4:31 PM
To: Lindsay, David (ENERGY)
Cc: Jennings, Rick (ENERGY); Silva, Joseph (ENERGY); Collins, Jason R. (ENERGY)
Subject: Greenfield

Confidential/Solicitor Client Privileged

Deputy,

Attached is the Proceedings Against the Crown Act notice, received by MAG yesterday. This puts EIG Management Company, LLC in position to issue a Statement of Claim against the Crown any time on or after February 20th. The attached note sets out claims in the PACA notice and also describes in high level terms the OPA's proposal. The PACA notice does not prevent pursuit of this proposal.

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Happy holidays!

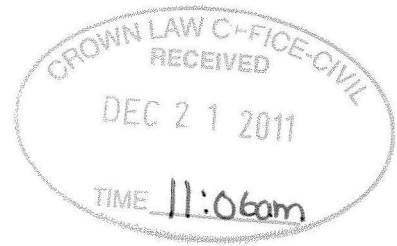
Carolyn

This communication may be solicitor/client privileged and contain confidential information only intended for the person(s) to whom it is addressed. Any dissemination or use of this information by others than the intended recipient(s) is prohibited. If you have received this message in error please notify the writer and permanently delete the message and all attachments. Thank you.

STIKEMAN ELLIOTT

Stikeman Elliott LLP Barristers & Solicitors

5300 Commerce Court West, 199 Bay Street, Toronto, Canada M5L 1B9
Tel: (416) 869-5500 Fax: (416) 947-0866 www.stikeman.com



Peter F.C. Howard
Direct: (416) 869-5613
E-mail: phoward@stikeman.com

BY COURIER

December 20, 2011
File No.: 131814.1001

Crown Law Office - Civil
Ministry of the Attorney General
720 Bay Street, 8th Floor
Toronto, ON
M7A 2S9

Dear Sirs/Mesdames:

Re: Notice Pursuant to section 7(1) of the *Proceedings Against the Crown Act*, R.S.O. 1990, c. P. 27

I am enclosing a Notice of Claim on behalf of EIG Management Company, LLC which is served in accordance with the *Proceedings Against the Crown Act*.

Yours truly,

A handwritten signature in cursive script, appearing to read "Peter F.C. Howard".

Peter F.C. Howard

/jh
encl.

TORONTO
MONTREAL
OTTAWA
CALGARY
VANCOUVER
NEW YORK
LONDON
SYDNEY

NOTICE OF CLAIM

TO: The Crown Law Office (Civil Law), Ministry of the Attorney General,
Toronto, Ontario

RE: Notice pursuant to section 7(1) of the *Proceedings Against the Crown Act*, R.S.O. 1990, c. P.27.

TAKE NOTICE that EIG Management Company, LLC for itself and as agent for the note holders (the "Note Holders") under the Note Purchase Agreement identified below (the "Claimant") intends to commence a claim against Her Majesty the Queen in Right of Ontario (the "Crown"), and possibly others, for damages and losses which Claimant has suffered as a result of the actions of agents and servants of the Crown for causes of action including in:

- (i) inducing Greenfield South Holdco Corp. and related entities (collectively "Greenfield") to breach the terms of a note purchase agreement dated May 26, 2011 (the "Note Purchase Agreement") with Claimant and related contracts;
- (ii) inducing the Ontario Power Authority (the "OPA") to repudiate the Amended and Restated Clean Energy Supply (ARCES) Contract dated April 12, 2005 and amended and restated as of March 16, 2009 (the "ARCES Contract") with Greenfield, which, in turn, caused Greenfield to breach its agreements with Claimant;
- (iii) interfering with Claimant's economic rights and/or relations with Greenfield as set out in the Note Purchase Agreement and related documents; and
- (iv) interfering in Claimant's economic relations with Greenfield by causing the OPA to repudiate the ARCES Contract, which in turn caused harm to Claimant.

I. MATERIAL BACKGROUND FACTS

1. On or about April 12, 2004, the OPA and Greenfield executed a Clean Energy Supply Contract for Greenfield to develop and operate the Greenfield South Generation Station which agreement was subsequently amended by the ARCES Contract. It was agreed that the power facility to be constructed would be built in Mississauga on Loreland Avenue.

2. Under the ARCES Contract, Greenfield had the right to obtain secured lending from third parties. The secured party was given certain rights under the ARCES Contract and would as well be subject to certain obligations thereunder.
3. On May 26, 2011, Greenfield entered into the Note Purchase Agreement with Claimant, acting as administrative agent for the Note Holders. Under the terms of that agreement, the Note Holders issued irrevocable financing commitments to Greenfield to finance the ownership, development, engineering, construction, testing, operation and maintenance of the Project.
4. Also on May 26, 2011, Greenfield, Claimant and the OPA entered into a secured lender consent and acknowledgement agreement (the "Secured Lender Consent Contract") under which the OPA acknowledged that, amongst other things, Claimant constituted, and therefore is entitled to the benefits of, the Secured Lender under the ARCES Contract.
5. On September 24, 2011, Liberal Leader and Ontario Premier Dalton McGuinty announced that the Ontario Government was permanently halting construction of the Greenfield South Generation Power Station.
6. On November 14, 2011, the OPA wrote to Greenfield effectively repudiating the ARCES Contract on the instructions of the Crown.
7. Subsequently, on November 18, 2011, the OPA and Greenfield agreed to a suspension of obligations under the ARCES Contract for a period until the end of the day on November 25, 2011 and neither party has performed under the ARCES Contract since November 18, 2011.

II. CLAIMS AGAINST THE CROWN

8. Claimant states that Premier Dalton McGuinty, Minister of Energy Chris Bentley and any individual within the Ontario Government who participated in, or agreed with, the decision to cause the end of construction of the Greenfield South Generation Station, are or were agents of the Crown.
9. In committing to terminate construction of the Greenfield South Generation Station, the Crown and its agents committed at least the torts of inducing breach of contract and interference with economic relations/rights to the damage and detriment of Claimant.
10. As a result of the commission of these torts by its agents, for which the Crown is liable, Claimant and the Note Holders have suffered damages. Claimant,

on behalf of itself and the Note Holders, therefore gives notice of its claim against the Crown for damages suffered as a result of this conduct.

11. This Notice is made pursuant to the requirements contained in section 7(1) of the *Proceedings Against the Crown Act*.
12. For further information pertaining to the within Notice of Claim, please contact solicitors for Claimant as below provided.

DATED at Toronto on Wednesday, December 21, 2011

Stikeman Elliott LLP
199 Bay Street, Suite 5300
Commerce Court West
Toronto, Ontario
M5L 1B9

Peter F.C. Howard
Tel: (416) 869-5613
Fax: (416) 947-0866

Counsel for Claimant, EIG Management
Company, LLC and the Note Holders

SERVICE OF A COPY

ADMITTED THIS 21 DAY OF December 2011

Crown Law Office (Civil Law)

MINISTRY OF THE ATTORNEY GENERAL
FOR ONTARIO

Per [Signature] Time 1:50pm

720 BAY STREET

TORONTO, ONTARIO M5G 1B2



Confidential and Solicitor-Client Privileged

Ministry of the Attorney General

Briefing Note

Legal Services Division

Legal Services Branch – ENE/MOI

ISSUE:

- Greenfield South Gas Generating Plant in Mississauga (the Greenfield South project)

CURRENT STATUS

- On December 21, 2011, EIG Management Company, LLC, a secured creditor of Greenfield South project, served a notice of claim under the *Proceedings Against the Crown Act*.
- The Ontario Power Authority is developing a proposal to have Greenfield South Power Corporation (Greenfield) seek *Companies' Creditors Arrangement Act* protection and to have Ontario Power Generation enter into a joint venture to make a bid for Greenfield's assets and trade debt and existing supply contracts.

Notice Under *Proceedings Against the Crown Act*

- On December 21, 2011, EIG Management Company, LLC ("EIG") (representing itself and certain note holders involved in the financing of the Greenfield South project) served a notice of claim under the *Proceedings Against the Crown Act*.
- This notice of claim represents the first procedural step in bringing a law suit against the Crown.
- The notice of claim alleges that, in committing to terminate construction of the Greenfield South project, the Crown and its agents, including Premier McGuinty and Minister Bentley, have committed the torts of (i) inducing breach of contract and (ii) interfering with economic relations/rights to damages of EIG.
- EIG may serve a statement of claim on the Province any time after February 20, 2011.

Negotiations between the OPA and Greenfield

- The OPA and Greenfield have been attempting to negotiate an agreement to allow development of the Greenfield South Project to cease, to determine the amount of Greenfield's sunk costs and to enter into negotiations to develop a gas plant at

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another site. Greenfield's secured creditors, including EIG, are involved in the negotiations.

- On December 14, 2011, the OPA and Greenfield agreed to continue negotiations and to continue to suspend obligations under the Amended and Restated Clean Energy Supply (ARCES) Contract, including suspension of construction activities until January 20, 2012.
 - The OPA agreed to pay \$35,000,000 to Greenfield in recognition of Greenfield's sunk costs incurred to date. In addition, the OPA will make direct payments to Greenfield's suppliers in the amount of approximately \$13.14 million on behalf of Greenfield.
- The OPA has advised ENERGY that EIG has noted Greenfield in default of its credit obligations.
- The OPA is developing a proposal that may assist in resolving negotiations, particularly with respect to secured creditors.
 - Greenfield would seek protection under the *Companies' Creditors Arrangement Act*.
 - Ontario Power Generation would enter into a joint venture with an entity related to the Greenfield parent company, Eastern Power, to acquire Greenfield's assets, trade debt and equipment supply costs.
 - The OPA would assist OPG in financing this entity. The assets would then be used by the joint venture to pursue a new gas plant at a different location.

NEXT STEPS

- The OPA and OPG plan to meet to discuss the OPA's proposal in early January 2012.
- Nothing is expected to happen with respect to EIG's notice of claim until at least February 20, 2012

BACKGROUND

- Originally, the Greenfield South project was to be a 280 MW combined cycle natural gas plant in the City of Mississauga on a 4.5 hectare property at 2315 Loreland Avenue.
- The Greenfield South project arose out of a Ministry of Energy Clean Energy Supply (CES) procurement process in 2004.

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- The original contract was executed in April, 2005.
 - The OPA subsequently assumed the contract. It was amended and restated in March, 2009 in recognition of process delays and complexities experienced by Greenfield.
 - In March 2011, the OPA renegotiated the initial Commercial Operation Date (C.O.D.) with Greenfield to Q3 2014.
- On September 24, 2011, the government announced a commitment to stop construction at the site and to relocate the plant.
 - On November 21, 2011, Minister of Energy Chris Bentley issued a statement that the OPA had advised that Greenfield had agreed to stop construction immediately and that both the OPA and Greenfield were negotiating to relocate the plant.

Date: December 23, 2011

Prepared by: James P.H. Rehob
Senior Counsel
5-6676

Approved by: Carolyn Calwell, Deputy Director
Legal Services Branch
Ministry of Energy/Ministry of Infrastructure
2-5409

Cayley, Daniel (ENERGY)

From: Collins, Jason R. (ENERGY)
Sent: December-23-11 11:09 PM
To: King, Ryan (ENERGY)
Subject: Fw: Greenfield
Attachments: 0040-000043232 – EIG Management Company, LLC.PDF; Greenfield South BN.23 12 2011.2.doc Duplicate attachments removed

Fyi - meant to flip this to you earlier. Was also sent to Craig and CO, SoC EAs.

From: Calwell, Carolyn (ENERGY)
To: Lindsay, David (ENERGY)
Cc: Jennings, Rick (ENERGY); Silva, Joseph (ENERGY); Collins, Jason R. (ENERGY)
Sent: Fri Dec 23 16:30:52 2011
Subject: Greenfield

Confidential/Solicitor Client Privileged

Deputy,

Attached is the Proceedings Against the Crown Act notice, received by MAG yesterday. This puts EIG Management Company, LLC in position to issue a Statement of Claim against the Crown any time on or after February 20th. The attached note sets out claims in the PACA notice and also describes in high level terms the OPA's proposal. The PACA notice does not prevent pursuit of this proposal.

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Happy holidays!

Carolyn

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Cayley, Daniel (ENERGY)

From: Calwell, Carolyn (ENERGY)
Sent: December-23-11 7:44 AM
To: Collins, Jason R. (ENERGY)
Subject: Re: Greenfield

We'll do a short note when we have the notice (later this a.m. I expect) and that can be sent up.

Carolyn

----- Original Message -----

From: Collins, Jason R. (ENERGY)
To: Calwell, Carolyn (ENERGY)
Sent: Thu Dec 22 22:30:07 2011
Subject: Re: Greenfield

Hi Carolyn - should this be flagged to Craig as well, if yes, should I send it over or would you?

Thanks much, Jason

----- Original Message -----

From: Calwell, Carolyn (ENERGY)
To: Collins, Jason R. (ENERGY)
Sent: Thu Dec 22 18:26:43 2011
Subject: Fw: Greenfield

In Joseph's absence.

----- Original Message -----

From: Calwell, Carolyn (ENERGY)
To: Lindsay, David (ENERGY); Jennings, Rick (ENERGY)
Cc: Silva, Joseph (ENERGY)
Sent: Thu Dec 22 18:25:53 2011
Subject: Greenfield

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I just heard from the OPA that one of Greenfield's secured lenders filed a Proceedings Against the Crown notice yesterday. I am trying to track it down. If so, this is the first step in litigation, although a Statement of Claim must wait at least 60 days.

Carolyn

Cayley, Daniel (ENERGY)

From: Serge Imbrogno <Serge.Imbrogno@ofina.on.ca>
Sent: December-28-11 10:49 AM
To: Jennings, Rick (ENERGY)
Subject: Re: TCE call

Yes. It only lasted 10 minutes. Jobathan was on the call for you. Seeking our comfort with a limited infor exchange for the expeditated arb process.

----- Original Message -----

From: Jennings, Rick (ENERGY) [mailto:Rick.Jennings@ontario.ca]
Sent: Wednesday, December 28, 2011 10:46 AM
To: Serge Imbrogno
Subject: TCE call

Serge did this call take place? I called in 10 minutes late and there was no one on the line.

Sent from my BlackBerry Wireless Handheld

This message, including any attachments, is meant only for the use of the individual(s) to whom it is intended and may contain information that is privileged/confidential. Any unauthorized use, copying or disclosure is strictly prohibited. If you are not the intended recipient or have received this message in error, please notify us immediately by reply e-mail and permanently delete this message, including any attachments, without reading them, and destroy all copies. Thank you.

Cayley, Daniel (ENERGY)

From: Dier, Kirby (ENERGY)
Sent: December-28-11 11:25 AM
To: Kourakos, Georgina (ENERGY)
Subject: RE: How do you feel about the small changes I made below -

I think so.

From: Kourakos, Georgina (ENERGY)
Sent: December 28, 2011 11:24 AM
To: Dier, Kirby (ENERGY)
Subject: How do you feel about the small changes I made below -

Hey,

I added a couple of words to give some context to the first line and since OPQ 182 doesn't ask for documents, I changed the second line to "Additional information" - Do you think that works?

Discussions regarding the cancellation of the Mississauga Power Plant are underway between the Ontario Power Authority and Greenfield South. The Ministry will be providing more information as discussions progress.

Additional information may be requested under the Freedom of Information and Protection of Privacy Act by filing a freedom of information request to the ministry and its agencies.

Georgina Kourakos
Media and Issues Officer
Ministry of Energy and Infrastructure
(416) 325-0294

Cayley, Daniel (ENERGY)

From: Adkar, Samir (ENERGY)
Sent: December-28-11 2:02 PM
To: Chow, Tiffany (ENERGY)
Subject: FW: For Review: DUE JAN 3: Order Paper Question 29, 181-186, 222, 257-259
Attachments: OPQ 186 (10652).doc; Approval Log - OPQ 186 (10652).doc; OPQ 222 (10689).doc; Approval Log - OPQ 222 (10689).doc; OPQ 29 (10482).doc; Approval Log - OPQ 29 (10482).doc; OPQ 258 (10725).doc; Approval Log - 258 (10725).doc; OPQ 259 (10726).doc; Approval Log - OPQ 259 (10726).doc; OPQ 185 (10651).doc; Approval Log - OPQ 185 (10651).doc; OPQ 181 (10647).doc; Approval Log - OPQ 181 (10647).doc; OPQ 183 (10649).doc; Approval Log - OPQ 183(10649).doc; OPQ 182 (10648).doc; Approval Log - OPQ 182 (10648).doc; OPQ 184 (10650).doc; Approval Log - OPQ 184 (10650).doc; OPQ 257 (10724).doc; Approval Log - OPQ 257 (10724).doc

Importance: High

Mr. Hudak – Enquiry of the Ministry – With the cancellation of the Mississauga and Oakville gas fired power plants, would the Minister of Energy confirm whether a new power plant is needed in the western GTA region, and if so, when the power plant will need to be built. (February 21, 2012)

The Independent Electricity System Operator's latest 18-Month Outlook shows that Ontario will have an adequate and reliable electricity supply over the forecast period December 2011 to May 2013.

Study efforts are underway with the Ontario Power Authority for solutions to address transmission and supply adequacy in southwestern GTA.

From: Devan, Jane (ENERGY)
Sent: December 28, 2011 1:12 PM
To: Christie, Tim (ENERGY); Knipping, Spencer (ENERGY); Nguyen, Than (ENERGY); Adkar, Samir (ENERGY); Syed, Usman (ENERGY); Chapman, Tom (ENERGY); MacCallum, Doug (ENERGY); Nakahara, Ken (ENERGY); Bishop, Ceiran (ENERGY); Jobe, Cedric (ENERGY)
Cc: Norman, Jonathan (ENERGY); D'Mello, Savitha (ENERGY); Boutros, Mona (ENERGY); Lolos, Katerina (ENERGY); MacLeod, Heather (ENERGY)
Subject: FW: For Review: DUE JAN 3: Order Paper Question 29, 181-186, 222, 257-259
Importance: High

Hello all,

Forwarded to you by Ryan King's request to all managers and acting managers for your responses.

Please see e-mails below for details.

Jane Devan
Administrative Assistant
Assistant Deputy Minister's Office

Energy Supply, Transmission and Distribution
Policy Division
Ministry of Energy
880 Bay Street, 3rd Floor
Toronto, ON M7A 2C1
Tel: 416-314-6223
Fax: 416-314-6224
Jane.Devan2@ontario.ca

From: Kourakos, Georgina (ENERGY)
Sent: December 28, 2011 11:58 AM
To: Devan, Jane (ENERGY)
Cc: Dier, Kirby (ENERGY); Gerard, Paul (ENERGY); Morton, Robert (ENERGY); King, Ryan (ENERGY)
Subject: FW: For Review: DUE JAN 3: Order Paper Question 29, 181-186, 222, 257-259
Importance: High

Hi Jane,

I'm forwarding the request below as per Ryan's out of office.

If you have any questions, please contact Kirby Dier (Kirby.Dier@ontario.ca).

Thanks,

Georgina Kourakos
Media and Issues Officer
Ministry of Energy and Infrastructure
(416) 325-0294

From: Kourakos, Georgina (ENERGY)
Sent: December 28, 2011 11:51 AM
To: King, Ryan (ENERGY)
Cc: Gerard, Paul (ENERGY); Morton, Robert (ENERGY); Dier, Kirby (ENERGY); Smith, Mark (ENERGY)
Subject: For Review: DUE JAN 3: Order Paper Question 29, 181-186, 222, 257-259
Importance: High

Hi Ryan,

Please find attached for your review/approval responses to Order Paper Questions 29, 181-186, 222, 257-259.

Also attached are Approval Logs that will need to be signed and sent back to us. If it's easier for you, you can scan the signed approval log and send it over electronically as opposed to sending it through inter-office mail.

Please let me know if you have any questions or concerns.

Thanks,

Georgina Kourakos
Media and Issues Officer
Ministry of Energy and Infrastructure
(416) 325-0294

Ministry of Energy

Office of the Minister

4th Floor, Hearst Block
900 Bay Street
Toronto ON M7A 2E1
Tel.: 416-327-6758
Fax: 416-327-6754

Ministère de l'Énergie

Bureau du ministre

4^e étage, édifice Hearst
900, rue Bay
Toronto ON M7A 2E1
Tél. : 416 327-6758
Téléc. : 416 327-6754

**Question No. 185**

Mr. Hudak – Enquiry of the Ministry – Would the Minister of Energy provide the expected date for when he will announce the cost to cancel the Mississauga and Oakville power plants. (February 21, 2012)

The Ontario Power Authority continues to hold discussions with both Greenfield South and TransCanada. The Ministry will be providing more information as discussions progress.

The Honourable Christopher Bentley
Minister

**Ontario****Ministry of Energy****Review / Approval Log**

Title/Subject

OPQ 185 (10651)

Date Prepared

December 23, 2011

Date Due (to be tabled)

Originated by

Kirby Dier, Media and Issues Officer

Telephone No.

5-1674

Branch/Division

Communications

Submission Type☐ MB20☐ Cabinet Submission☐ Briefing Note☐ Meeting Note☐ Communications Product☐ Minister's letter/memo☐ Deputy's letter/memo☐ Contract/Procurement☒ Other (specify) Order Paper Question

Additional Information re document (flag critical timing considerations, whether this is a revision to a previous note, etc.)

Reviewed by (if applicable)**Comments attached ▼**

Division/Branch	Name	Signature	Date In	Date Out	Yes	No
<input type="checkbox"/> Legal					<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Communications					<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Corporate Development					<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> ADM (other Division)					<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Other (e.g. other ministries)					<input type="checkbox"/>	<input type="checkbox"/>

Approved by (indicate required approvals with)**Comments attached**

Approving Official	Name	Signature	Date In	Date Out	Yes	No
<input type="checkbox"/> Manager	Paul Gerard					
<input type="checkbox"/> Director						
<input type="checkbox"/> ADM	R. Jennings					
<input type="checkbox"/> DM	David L. Lindsay					
<input type="checkbox"/> MO Staff						
<input type="checkbox"/> Minister	Christopher Bentley					

Distribution***Minister's Office***

- ☐ Minister
☐ Craig MacLennan
☐ Erika Botond
☐ Andrew Mitchell
☐ Ryan Dunn
☐

Deputy's Office

- ☐ Deputy Minister
☐ Joseph Silva
☐ Michael England
☐ Petra Fisher

Divisions/Branches

- ☐ Communications Branch
☐ Corporate Development
☐ Energy Supply, Transmission & Distribution Policy
☐ Legal Services

Divisions/Branches

- ☐ Regulatory Affairs & Strategic Policy
☐ Renewables & Energy Efficiency

Ministry of Energy

Office of the Minister

4th Floor, Hearst Block
900 Bay Street
Toronto ON M7A 2E1
Tel.: 416-327-6758
Fax: 416-327-6754

Ministère de l'Énergie

Bureau du ministre

4^e étage, édifice Hearst
900, rue Bay
Toronto ON M7A 2E1
Tél. : 416 327-6758
Téléc. : 416 327-6754

**Question No. 222**

Mrs. Munro — Enquiry of the Ministry — Would the Minister of Energy describe the decision-making processes in his Ministry that led to the cancellation of power plants in Oakville and Mississauga and the construction of a power plant beside the Holland Marsh in King Township. February 21, 2012.

New gas-fired generation facilities, such as the York Energy Centre, will meet the need for reliable power in areas of rapid growth. These facilities will provide homes and businesses with more secure supply and contribute to Ontario's goal of eliminating coal-fired generation.

Gas-fired generation facilities are required to ensure the reliability of the electricity system during periods of peak demand. They complement Ontario's nuclear and hydro facilities, which provide baseload power.

We made a commitment to the people of Oakville and Mississauga that there would be no gas plants at these sites and we are keeping that commitment. Discussions are currently under way with both TransCanada and Greenfield regarding these projects.

We have heard from residents that our current process to locate gas plants needs to improve. As we move forward with our commitment to new gas-fired generation, we are reviewing the process of how future gas plants will be located in communities.

The Honourable Christopher Bentley
Minister

Ministry of Energy

Office of the Minister

4th Floor, Hearst Block
900 Bay Street
Toronto ON M7A 2E1
Tel.: 416-327-6758
Fax: 416-327-6754

Ministère de l'Énergie

Bureau du ministre

4^e étage, édifice Hearst
900, rue Bay
Toronto ON M7A 2E1
Tél. : 416 327-6758
Téléc. : 416 327-6754

**Question No. 181**

Mr. Hudak – Enquiry of the Ministry – With the cancellation of the Mississauga and Oakville gas fired power plants, would the Minister of Energy confirm whether a new power plant is needed in the western GTA region, and if so, when the power plant will need to be built. (February 21, 2012)

The Independent Electricity System Operator's latest 18-Month Outlook shows that Ontario will have an adequate and reliable electricity supply over the forecast period December 2011 to May 2013.

Study efforts are underway with the Ontario Power Authority for solutions to address transmission and supply adequacy in southwestern GTA.

The Honourable Christopher Bentley
Minister

**Ontario****Ministry of Energy****Review / Approval Log**

Title/Subject

OPQ 181 (COID# 10647)

Date Prepared

December 23, 2011

Date Due (to be tabled)

Originated by

Kirby Dier, Media and Issues Officer

Telephone No.

5-1674

Branch/Division

Communications

Submission Type☐ MB20☐ Cabinet Submission☐ Briefing Note☐ Meeting Note☐ Communications Product☐ Minister's letter/memo☐ Deputy's letter/memo☐ Contract/Procurement☒ Other (specify) Order Paper Question

Additional Information re document (flag critical timing considerations, whether this is a revision to a previous note, etc.)

Reviewed by (if applicable)**Comments attached ▼**

Division/Branch	Name	Signature	Date In	Date Out	Yes	No
<input type="checkbox"/> Legal					<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Communications					<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Corporate Development					<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> ADM (other Division)					<input type="checkbox"/>	<input type="checkbox"/>
<input type="checkbox"/> Other (e.g. other ministries)					<input type="checkbox"/>	<input type="checkbox"/>

Approved by (indicate required approvals with)**Comments attached**

Approving Official	Name	Signature	Date In	Date Out	Yes	No
<input type="checkbox"/> Manager	Paul Gerard					
<input type="checkbox"/> Director						
<input type="checkbox"/> ADM	R. Jennings					
<input type="checkbox"/> DM	David L. Lindsay					
<input type="checkbox"/> MO Staff						
<input type="checkbox"/> Minister	Christopher Bentley					

Distribution**Minister's Office**

- ☐ Minister
☐ Craig MacLennan
☐ Erika Botond
☐ Andrew Mitchell
☐ Ryan Dunn
☐

Deputy's Office

- ☐ Deputy Minister
☐ Joseph Silva
☐ Michael England
☐ Petra Fisher

Divisions/Branches

- ☐ Communications Branch
☐ Corporate Development
☐ Energy Supply, Transmission & Distribution Policy
☐ Legal Services

Divisions/Branches

- ☐ Regulatory Affairs & Strategic Policy
☐ Renewables & Energy Efficiency

Ministry of Energy

Office of the Minister

4th Floor, Hearst Block
900 Bay Street
Toronto ON M7A 2E1
Tel.: 416-327-6758
Fax: 416-327-6754

Ministère de l'Énergie

Bureau du ministre

4^e étage, édifice Hearst
900, rue Bay
Toronto ON M7A 2E1
Tél. : 416 327-6758
Téléc. : 416 327-6754



Ontario

Question No. 183

Mr. Hudak – Enquiry of the Ministry – Would the Minister of Energy provide all documents pertaining to the cancellation of the Mississauga Power Plant. (February 21, 2012)

Discussions regarding the cancellation of the Mississauga Power Plant are underway between the Ontario Power Authority and Greenfield South. The Ministry will be providing more information as discussions progress.

Specific documents may be requested under the Freedom of Information and Protection of Privacy Act by filing a freedom of information request to the ministry and its agencies.

The Honourable Christopher Bentley
Minister

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900, rue Bay
Toronto ON M7A 2E1
Tél. : 416 327-6758
Téléc. : 416 327-6754

**Question No. 182**

Mr. Hudak – Enquiry of the Ministry – Would the Minister of Energy provide the estimated relocation costs as calculated by the Ministry prior to announcing the cancellation of the Mississauga Power Plant. (February 21, 2012)

Discussions regarding the cancellation of the Mississauga Power Plant are underway between the Ontario Power Authority and Greenfield South. The Ministry will be providing more information as discussions progress.

Additional information may be requested under the Freedom of Information and Protection of Privacy Act by filing a freedom of information request to the ministry and its agencies.

The Honourable Christopher Bentley
Minister

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Tél. : 416 327-6758
Téléc. : 416 327-6754

**Question No. 184**

Mr. Hudak – Enquiry of the Ministry – Would the Minister of Energy provide a detailed estimate of all costs associated with the cancellation of the Oakville Power Plant. (February 21, 2012)

Discussions regarding the cancellation of the Oakville Power Plant continue between the Ontario Power Authority and TransCanada. The Ministry will provide more information as discussions progress.

Specific documents may be requested under the Freedom of Information and Protection of Privacy Act by filing a freedom of information request to the ministry and its agencies.

The Honourable Christopher Bentley
Minister

Cayley, Daniel (ENERGY)

From: Chow, Tiffany (ENERGY)
Sent: December-28-11 2:10 PM
To: Adkar, Samir (ENERGY)
Subject: RE: For Review: DUE JAN 3: Order Paper Question 29, 181-186, 222, 257-259

Samir,

I have confirmed that the LTEP does explicitly mention that a transmission solution will be required to maintain reliable supply in SWGTA in lieu of the Oakville plant.

The 2007 Plan outlined a forecast need for an additional three gas plants in the Province, including one in the Kitchener-Waterloo-Cambridge and one in the southwest GTA.

Because of changes in demand along with the addition of approximately 8,400 MW of new supply since 2003, the outlook has changed and two of the three plants — including the proposed plant in Oakville — are no longer required. However, a transmission solution to maintain reliable supply in the southwest GTA will be required.

Still digging around my emails for QAs that may refer to the GTA... if I can't find any, then I think the wording below is fine.

Tiffany

From: Adkar, Samir (ENERGY)
Sent: December 28, 2011 2:02 PM
To: Chow, Tiffany (ENERGY)
Subject: FW: For Review: DUE JAN 3: Order Paper Question 29, 181-186, 222, 257-259
Importance: High

Mr. Hudak – Enquiry of the Ministry - With the cancellation of the Mississauga and Oakville gas fired power plants, would the Minister of Energy confirm whether a new power plant is needed in the western GTA region, and if so, when the power plant will need to be built. (February 21, 2012)

The Independent Electricity System Operator's latest 18-Month Outlook shows that Ontario will have an adequate and reliable electricity supply over the forecast period December 2011 to May 2013.

Study efforts are underway with the Ontario Power Authority for solutions to address transmission and supply adequacy in southwestern GTA.

From: Devan, Jane (ENERGY)
Sent: December 28, 2011 1:12 PM
To: Christie, Tim (ENERGY); Knipping, Spencer (ENERGY); Nguyen, Than (ENERGY); Adkar, Samir (ENERGY); Syed, Usman (ENERGY); Chapman, Tom (ENERGY); MacCallum, Doug (ENERGY); Nakahara, Ken (ENERGY); Bishop, Ceiran (ENERGY); Jobe, Cedric (ENERGY)
Cc: Norman, Jonathan (ENERGY); D'Mello, Savitha (ENERGY); Boutros, Mona (ENERGY); Lolos, Katerina (ENERGY); MacLeod, Heather (ENERGY)
Subject: FW: For Review: DUE JAN 3: Order Paper Question 29, 181-186, 222, 257-259
Importance: High

Hello all,

Forwarded to you by Ryan King's request to all managers and acting managers for your responses.

Please see e-mails below for details.

Jane Devan

Administrative Assistant
Assistant Deputy Minister's Office
Energy Supply, Transmission and Distribution
Policy Division
Ministry of Energy
880 Bay Street, 3rd Floor
Toronto, ON M7A 2C1
Tel: 416-314-6223
Fax: 416-314-6224
Jane.Devan2@ontario.ca

From: Kourakos, Georgina (ENERGY)
Sent: December 28, 2011 11:58 AM
To: Devan, Jane (ENERGY)
Cc: Dier, Kirby (ENERGY); Gerard, Paul (ENERGY); Morton, Robert (ENERGY); King, Ryan (ENERGY)
Subject: FW: For Review: DUE JAN 3: Order Paper Question 29, 181-186, 222, 257-259
Importance: High

Hi Jane,

I'm forwarding the request below as per Ryan's out of office.

If you have any questions, please contact Kirby Dier (Kirby.Dier@ontario.ca).

Thanks,

Georgina Kourakos
Media and Issues Officer
Ministry of Energy and Infrastructure
(416) 325-0294

From: Kourakos, Georgina (ENERGY)
Sent: December 28, 2011 11:51 AM
To: King, Ryan (ENERGY)
Cc: Gerard, Paul (ENERGY); Morton, Robert (ENERGY); Dier, Kirby (ENERGY); Smith, Mark (ENERGY)
Subject: For Review: DUE JAN 3: Order Paper Question 29, 181-186, 222, 257-259
Importance: High

Hi Ryan,

Please find attached for your review/approval responses to Order Paper Questions 29, 181-186, 222, 257-259.

Also attached are Approval Logs that will need to be signed and sent back to us. If it's easier for you, you can scan the signed approval log and send it over electronically as opposed to sending it through inter-office mail.

Please let me know if you have any questions or concerns.

Thanks,

Georgina Kourakos
Media and Issues Officer
Ministry of Energy and Infrastructure
(416) 325-0294

Cayley, Daniel (ENERGY)

From: Calwell, Carolyn (ENERGY)
Sent: December-28-11 4:57 PM
To: Khatri, Anupa (ENERGY)
Subject: FW: Mcarthy retainer letter re Greenfield
Attachments: McCarthy retainer letter Dec 21-11_v.1.doc

Follow Up Flag: Follow up
Flag Status: Flagged

Hi Anupa,

The DAG has approved the PSR. Please date the letter December 28, 2011. I will sign for Halyna in the morning and then I would ask that you send it down to McCarthys.

Carolyn

From: Wong, Taia (JUS)
Sent: December 28, 2011 4:55 PM
To: Calwell, Carolyn (ENERGY)
Subject: RE: Mcarthy retainer letter re Greenfield

Hi Carolyn,

This PSR has been approved. We will update the PSR database tomorrow to reflect approval.

Thanks,
Taia

From: Calwell, Carolyn (ENERGY)
Sent: December 28, 2011 9:28 AM
To: Wong, Taia (JUS)
Subject: RE: Mcarthy retainer letter re Greenfield

Hi Taia,

Again, just following up. Any movement on this psr? If not yet, are you expecting it this week or should I bf for January?

Carolyn

From: Wong, Taia (JUS)
Sent: December 22, 2011 6:24 PM
To: Calwell, Carolyn (ENERGY)
Subject: Re: Mcarthy retainer letter re Greenfield

Hi Carolyn,

Thanks for checking in. The PSR is with the DAG for approval. I'll keep you posted on when it is approved.

Thanks,
Taia

From: Calwell, Carolyn (ENERGY)
To: Wong, Taia (JUS)
Sent: Thu Dec 22 17:37:20 2011
Subject: RE: Mccarthy retainer letter re Greenfield

Hi Taia – just wondering about the status. I don't want to lose track of getting the retainer letter out. Any updates?

Carolyn

From: Wong, Taia (JUS)
Sent: December 21, 2011 4:35 PM
To: Perun, Halyna N. (ENERGY)
Cc: Calwell, Carolyn (ENERGY)
Subject: RE: Mccarthy retainer letter re Greenfield

We are processing it now.

Have a great holiday and well-deserved break!

From: Perun, Halyna N. (ENERGY)
Sent: December 21, 2011 4:26 PM
To: Wong, Taia (JUS)
Cc: Calwell, Carolyn (ENERGY)
Subject: RE: Mccarthy retainer letter re Greenfield

Hi – finally it worked – submitted. PSR#47/2011-12 (unfortunately I left "foreign jurisdiction" as reason for outsourcing – so hope that won't be a problem)

Thank you for letting us know as soon as it's been approved – take care Taia!

Halyna

Halyna N. Perun
Director
Legal Services Branch
Ministries of Energy & Infrastructure
777 Bay Street, 4th Floor, Suite 425
Toronto, ON M5G 2E5
Ph: (416) 325-6681 / Fax: (416) 325-1781
BB: (416) 671-2607
E-mail: Halyna.Perun2@ontario.ca

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From: Perun, Halyna N. (ENERGY)
Sent: December 21, 2011 3:57 PM

To: Wilson, Malliha (JUS)
Cc: Lung, Ken (JUS); Wong, Taia (JUS); Calwell, Carolyn (ENERGY)
Subject: RE: Mcarthy retainer letter re Greenfield

I've had a super frustrating day trying to get into the PSR, saving the work and sending the work – so the PSR has not been submitted as yet and it's getting close to end of day.

I am trying one more time – At this point it's not likely to reach the Deputy for approval.

Taia - please let Carolyn know when the PSR has been approved and I have asked her to take care of delivering the retainer letter to McCarthy's in my absence.

Thank you

Halyna

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To: Wilson, Malliha (JUS)
Cc: Lung, Ken (JUS)
Subject: RE: Mcarthy retainer letter re Greenfield

Yes – I will take care of it today as well -

Halyna

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Sent: December 21, 2011 10:10 AM
To: Perun, Halyna N. (ENERGY)
Cc: Lung, Ken (JUS)
Subject: RE: Mcarthy retainer letter re Greenfield

Looks good – we need to do a PSR as well

From: Perun, Halyna N. (ENERGY)
Sent: December 21, 2011 9:30 AM
To: Wilson, Malliha (JUS)
Cc: Lung, Ken (JUS)
Subject: Mcarthy retainer letter re Greenfield

Privileged and Confidential

Hi – Here is the proposed retainer letter for your review. I'll need to check the hourly rate of the associate counsel on the file (have for now set out \$450).

I spoke to Deputy Lindsay and he was aware of the request for outside legal advice. We discussed the circumstances – when was the advice provided and to whom and he's fine with this (Though he was not aware that Energy would be paying for the retainer, ultimately it's not a lot of \$\$ so it's OK). He'd like McCarthy's to send us the research that was done to support the oral advice provided (working notes at least) as this might assist us in developing the policy for future sitings for gas plants. I'd like to ask John for any research memo his articling student or associate provided to him (I think this is a reasonable ask).

Please let me know your comments and I will finalize today (I am not here post today and would prefer to send it out before I leave).

Halyna

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Ministry of Attorney
General

Ministries of Energy &
Infrastructure
Legal Services Branch

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Toronto, ON M5G 2E5
Ph : (416) 325-6681
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Ministère du
Procureur Général

Ministères de l'Énergie et de l'
Infrastructure
Direction des services juridiques

777, rue Bay 4^e étage
Toronto (Ontario) M5G 2E5
Tél. : 416-325-6681
Téléc. : 416-325-1781



December 21, 2011

DELIVERED

PRIVATE & CONFIDENTIAL

Paul A. Boniferro
National Leader, Practices and People
McCarthy Tétrault LLP
66 Wellington Street West, 49th Floor
Toronto Dominion Bank Tower
Toronto ON M5K 1E6

Dear Mr. Boniferro:

**RE: Retention for Provision of Legal Services in Connection with the Greenfield
South Generating Station**

This Retainer sets out the terms and conditions under which McCarthy Tétrault LLP ("**McCarthy**") agreed to provide certain legal services as described in this letter (the "**Services**") to the Ministry of the Attorney General on behalf of the Ministry of Energy and the Ministry of the Attorney General (collectively the "**Ministry**"). For the purposes of this Retainer, your client is the Crown in Right of Ontario, as represented by the Ministry of Energy and the Ministry of the Attorney General.

The Retainer was for the period November 14, 2011 to November 17, 2011, and the Services were provided on an urgent basis. Your firm was retained to provide legal advice and assistance in connection with the Government's commitment to re-locate the Greenfield South Generating Station. Without limiting the generality of the foregoing, McCarthy was asked by the Ministry and Cabinet Office to analyze, on an expedited basis, Ministerial powers under the *Planning Act*, R.S.O. 1990, c.P.13 for the purpose of developing options that might be available to the Province of Ontario in stopping construction of the Greenfield South Generating Station. The Services included providing oral advice to the Ministry and Cabinet Office about Ministerial powers in respect of zoning and subdivision control and the impact of a Ministerial zoning order on an existing building permit.

Pursuant to the retainer, John A.R. Dawson is the principal counsel involved in the matter from your firm. Your firm agreed that the Services under this Retainer would be primarily provided by Mr. Dawson and the other counsel as set out in the attached **Schedule A**, at the rates set out in

that schedule. Your firm is of course at liberty to use articling students or junior counsel at lower rates than those outlined in **Schedule A**.

Your firm agreed to ensure that, in delivering the Services, your firm gives the Ministry reasonable advance notice (where practicable) of, and the opportunity to participate in, all meetings and telephone discussions involving persons other than those in the Ministry, and that your firm copies the Ministry on all written or electronic communications between your firm and anyone outside of the Ministry in connection with the Services.

The delivery of the Services shall comply with all applicable requirements, specifications and standards for accessibility established by the Ministry in accordance with the *Accessibility for Ontarians with Disabilities Act, 2005*, S.O.2005, c.11 and any regulations made thereto.

In addition to your firm's legal fees, the Ministry will pay reasonable disbursements, supported by receipts or invoices, incurred in relation to this matter. I will advise what may or may not be paid. The maximum amount of the retainer is \$15,000.00 (including HST).

Billings should be forwarded to me at the following address:

Halyna Perun
Director
Legal Services Branch
Ministries of Energy & Infrastructure
777 Bay Street, 4th Floor, Suite 425
Toronto, ON M5G 2E5

The Ministry is required to pay HST, if applicable, in accordance with the *Excise Tax Act* (Canada). You should charge and remit HST in respect of the services in accordance with that Act.

Your firm has declared, after taking all reasonable steps to investigate, that your firm does not have any conflict of interest representing the Province of Ontario under this Retainer. Your firm further agreed that your partners, associates, employees and agents shall ensure that the Services to be provided under the Retainer are provided free of any conflict of interest. During the term of this Retainer, the partners, associates, employees and agents shall not engage in any work, or provide legal services, for another client that could reasonably result in a conflict of interest. Should the legal services provided by your firm to any other client of yours create an actual or potential conflict of interest, you shall immediately advise me and propose a plan to mitigate any such actual or potential conflict of interest. If there arises any doubt as to whether there is, or could be a conflict of interest, or whether such conflict of interest is such that this Retainer must be terminated, my decision shall be final.

During the course of this Retainer, should issues be identified that should be more properly addressed by Ministry lawyers or involve legal and/or policy matters relating to Constitutional or *Charter* issues, or the *Ontario Human Rights Code*, your firm would immediately stop the work being performed under the Retainer. In such circumstances, your firm would not continue the work and receive further instruction from me.

The Ministry may terminate the Retainer at any time, without fault and without liability, upon two (2) days' notice of termination in writing to your firm.

The Ministry shall, not by termination, waive any rights or remedies it may have in law or equity at the date of termination. Termination shall not relieve your firm from its warranties and other responsibilities relating to services performed and money paid up to and including the date of termination.

This Retainer may be amended, altered or added to only by written agreement between the parties, which agreement is supplemental to the Retainer and thereafter forms part of the Retainer.

The Retainer, and the rights, obligations and relations of the parties shall, unless otherwise specified, be governed by and construed in accordance with the laws of the Province of Ontario and the federal laws of Canada applicable therein. You will hereby atone to the jurisdiction of the Courts of the Province of Ontario.

If your firm agrees with the terms and conditions set out in the Retainer, please sign three copies of this letter and return two copies to me at your earliest convenience.

Sincerely,

Halyna N. Perun
Director- Legal Services Branch, Ministry of Energy & Ministry of Infrastructure

Enclosure

ACCEPTED and AGREED
McCarthy Tétrault LLP

DATED:

Encl.

SCHEDULE A**SCHEDULE OF FEES FOR LEGAL SERVICES RENDERED BY
McCARTHY TÉTRAULT**

Proposed Team	\$ Hourly Rate	Year of Call
John A.R.Dawson	625	1991
Daniel Artenosi	450	2007

Calwell, Carolyn (ENERGY)

From: Calwell, Carolyn (ENERGY)
Sent: December 28, 2011 9:33 AM
To: Wong, Taia (JUS)
Subject: RE: Mcarthy retainer letter re Greenfield

Thanks very much.

Carolyn

From: Wong, Taia (JUS)
Sent: December 28, 2011 9:31 AM
To: Calwell, Carolyn (ENERGY)
Subject: RE: Mcarthy retainer letter re Greenfield

Hi Carolyn,

I haven't heard anything back from the DAG's office as yet, but I will check in with them later today and will keep you posted.

Thanks,
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