

River Valley Power Corp.
326 Penman Ave.,
Garson, ON P3L 1H8

August 31, 2015

The Corporation of the Municipality of West Nipissing
101-225 Holditch Street,
Sturgeon Falls, ON P2B 1T1

Attention: Ms. Melanie Ducharme, Municipal Clerk and Planner

Re: Request for Municipal Council Support Resolutions, Waterpower Projects, September 8, 2015 Council Meeting

Dear Ms. Ducharme:

On January 1, 2015, the Ontario Power Authority (OPA) merged with the Ontario Electricity System Operator (IESO), combining their mandates. Prior to this, all Feed-in Tariff (FIT) Programs and Standard Offer Programs (SOP) were developed and administered exclusively by the OPA.

In 2015, the IESO, launched the FIT 4 Program, inviting applications for Renewable Energy Projects of up to 500kw per site. Run of the River Waterpower is considered a key renewable resource which will create clean reliable electricity and green credits well beyond the 40 year FIT 4 Contract term. Municipal Support for the waterpower projects is essential in order to be offered a FIT 4 Contract.

River Valley Power Corp. respectfully requests the Corporation of the Municipality of West Nipissing to approve Municipal Council Resolutions in support of these two (2) 500kw waterpower projects which will be located on the properties listed below (see attached map). Municipal Support will enable these projects to be awarded two (2) Priority Points, which are required by the IESO in their evaluation process. FIT 4 Contracts will be awarded in May, 2016 and River Valley Power Corp. will immediately commence the approvals process beginning with a Public Consultation Meeting.

- a. PIN 490600177, legally described as: PCL 25621 SEC NIP; PT LT 3 CON 5 CRERAR PT 6 36R5580; WEST NIPISSING; DISTRICT OF NIPISSING – Sandra Fay Ballantine
- b. PIN 490600178, legally described as: PCL 25621 SEC NIP; PT LT 3 CON 5 CRERAR PT 6 36R5580; WEST NIPISSING; DISTRICT OF NIPISSING - Anthony DeBoer
- c. PIN 490600179, legally described as: PCL 25621 SEC NIP; PT LT 3 CON 5 CRERAR PT 6 36R5580; WEST NIPISSING; DISTRICT OF NIPISSING - Anthony DeBoer

Benefits to the Municipality of West Nipissing

1. New local employment and training opportunities.
2. Development and construction jobs will last 2-3 years. Projects will require highly skilled engineers, consultants and contractors as well as labourers, foresters and equipment operators.

3. Ongoing operations and maintenance jobs will last in perpetuity. The FIT Contract has a 40 year term, but the waterpower assets are useful, with scheduled maintenance as planned, essentially, in perpetuity. The waterpower plants will then become merchant plants providing electricity and environmental benefits to local residents, businesses and the community.
4. Procurement from local suppliers and contractors will bring additional opportunities to the community.
5. Increased spending in local stores and hotels/motels during development, construction and ongoing operations and maintenance will bring additional revenue to the community.
6. Additional Municipal permitting fees.
7. Increased property values and Municipal tax base in perpetuity.
8. The Temagami River water level, at River Valley, will be maintained at a more desirable level for more of the year, providing superior canoeing and swimming to residents and visitors alike.
9. RVP's waterpower project will significantly reduce West Nipissing's carbon footprint by 6,500,000 kg/year.
10. The selected waterpower turbine is certified as fish friendly, which is unique in the industry.

Project Description

Project Size:	500kw
Project Type:	Waterpower Run of River
Number of Turbines:	2
Carbon Credits:	6,500,000 kg/year

River Valley Power Corp.'s (RVP) Project History @ River Valley

- 2005 – RVP began developing a waterpower projects, including on the Temagami River @ River Valley, ON
- 2007 – Ministry of Energy (MOE) through the (OPA) announced the Standard Offer Program (SOP)
- 2007 – RVP signed agreements with land owners, including the Roman Catholic Episcopal Corporation of the Diocese of Sault Saint Marie, ON
- 2007 – RVP made application to Ministry of Natural Resources (MNR) under Direct (Non-competitive) Site Release Program to be awarded “Applicant of Record Status” in order to develop a 2.3MW project
- 2007 – MNR issued to RVP an Application Number - “WSR-2007-34”, which is still valid
- 2008 – MNR issued to RVP a “Site Description Package”
- 2009, September – MNR issued to RVP a “Waterpower on Crown Land Acknowledgement Letter”
- 2009, November – RVP places public notice of intent to develop project
- 2009, December – MOE replaced Standard Offer Program with FIT Program, for smaller projects with unfavourable waterpower pricing
- 2015 – IESO releases FIT 4 Program, with favourable waterpower pricing for smaller projects
- 2015 – RVP redesigns the projects with smaller turbines, based on the FIT 4 Program rules, and will make application to the FIT 4 Program in September, 2015

Comparison of New Design to Old Design (please refer to images attached)

- New design consists of two - 500kw waterpower turbines, whereas old design consists of two - 1.15MW turbines

- New design turbine, generator and structures will sit directly in the Temagami River, within the weir, whereas old design requires a penstock being installed in a rock cut, running through town
- New design power house is quite small and will sit on land remote from turbine and generator, whereas old design power house sits directly on turbine and generator
- Both designs require the installation of a weir
- New design requires significantly less civil work required for the new design and no construction required through town
- New design is certified fish friendly, whereas old design is not

River Valley Power Corp.

River Valley Power Corp. is part of a group of companies whose principals have extensive and successful backgrounds in project development, financing and operations in the mining, resource and renewable energy sectors, including power plant, pipeline and renewable energy project development, construction and financing. RVP's principals have been responsible for the development of hundreds of millions of dollars of successful projects.

Three of the principals have lived and worked in the Greater Sudbury area their entire lives and have worked successfully with, and are well known to, the First Nation Communities.

A partial list of waterpower sites, in addition to River Valley, may be found below:

- Onaping River - 6 sites including High Falls (10MW) & Banerman Dam
- Vermillion River - 4 sites including Stobie Dam
- Wanapitei River - 5 sites including Wahnapiatae Dam
- Latchford Dam, Latchford
- Outlet of Lake Nipissing on Dokis Reservation
- Teddy Falls, Englehart

In addition, McCleod Dam (900kw), owned by Quinte Conservation Authority, was financed by one of the principals as well as Zeballos Lake, BC (23MW).

A partial list of other projects of note, successfully developed, financed and executed by the principals are listed below:

- Scadding Tailings Pond Gold Recovery – with Wahnapiatae First Nation
- 50MW Solar Farm west of Thunder Bay
- Natural gas pipeline development into Ontario Power Generation's thermal plants at Lennox and Nanticoke
- Rolls Royce Trent aero-derivative gas turbine power plant relaunch
- Design build of large UPS and standby diesel generator projects
- Various other mining properties developed and launched in the marketplace

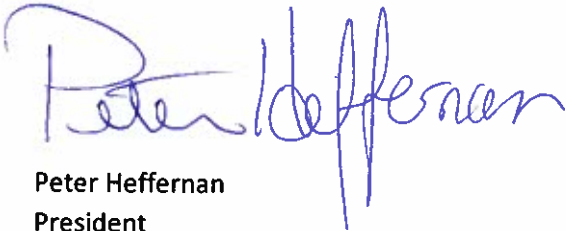
The principals are active industry and community participants and have been active Board members of many energy mining and community associations, of which a partial list may be found below:

- Sudbury-Nipissing Rail to Trail Initiative
- Sudbury Trail Plan
- Habitat for Humanity
- Ontario Waterpower Association
- Independent Power Producer's Society Ontario
- Canadian Gas Association
- Ontario Energy Association
- Ontario Natural Gas Association
- Prospectors and Developers Association of Canada
- Ontario Prospectors Association
- Various Junior Mining Companies

River Valley Power Corp. and its principals are excellent corporate citizens and have a high regard for the environment, community and practice sustainable development in all of the projects undertaken.

Please call should you have any questions. We look forward to receiving the Municipal Council Support Resolutions for our Waterpower Project and to having a greater presence in the Municipality of West Nipissing. Thank you for your consideration.

Regards



Peter Heffernan
President

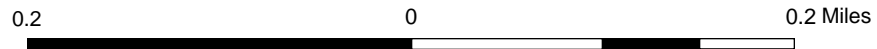
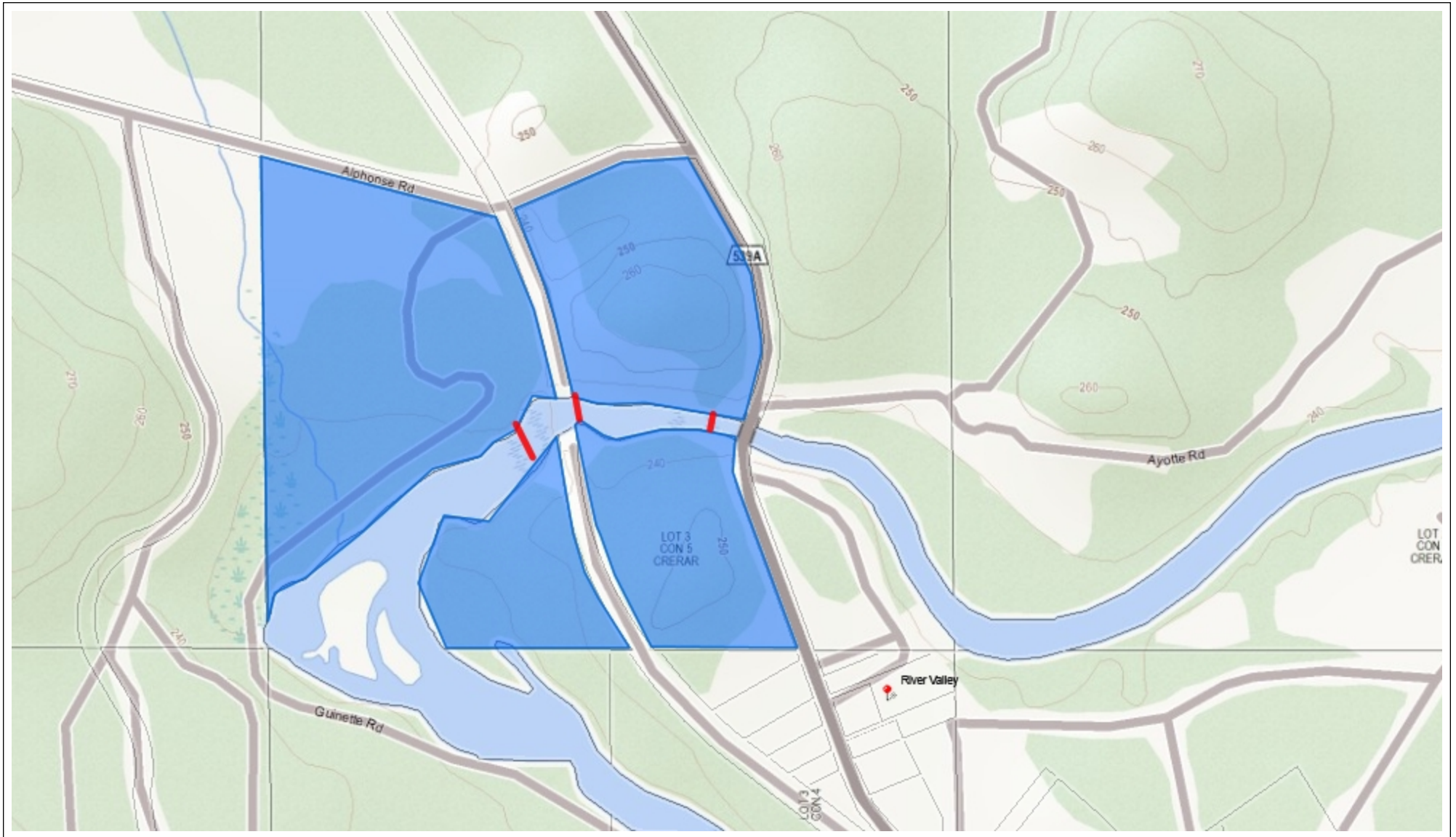
River Valley Green Power Corp.

peteraheffernan@gmail.com

416-319-5644

Attachments - River Valley Power Corp.'s Site Options
- New Old Design Comparison

River Valley Power Possible Site Locations



Scale: 1: 6405



Map Created: August 31, 2015

Map Center: 46.597381 N, -80.190088 W

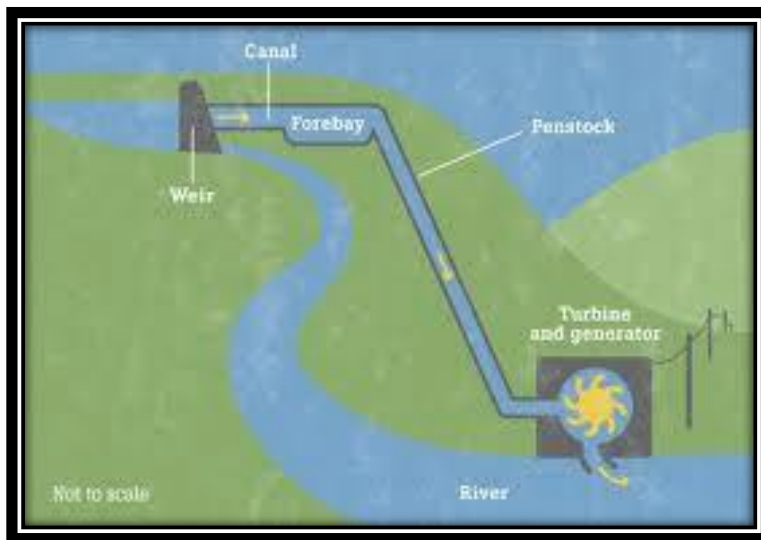
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New / Old Design Concepts



**New Design Concept
Turbines Sit Directly in the River
Waddell Dam (MNR Control Dam)**



**Old Design Concept
Penstock Cutting Through River Valley from North to South**