

REDEVELOPMENT OF HOUND CHUTE HYDROELECTRIC GENERATING STATION WILL ADD CLEAN RENEWABLE ELECTRICITY



I'd like to invite and encourage you to participate in the environmental assessment process that is part of Ontario Power Generation Inc.'s (OPG) plan to bring more clean, renewable hydro power to Ontario. OPG is proposing to redevelop the existing Hound Chute Generating Station. This is a run-of-the-river hydroelectric generating station located about 10 kilometers southeast of Latchford on the Lower Montreal River. When completed, the capacity of the new generating station will increase from approximately 3.6 to 10.2 megawatts. OPG

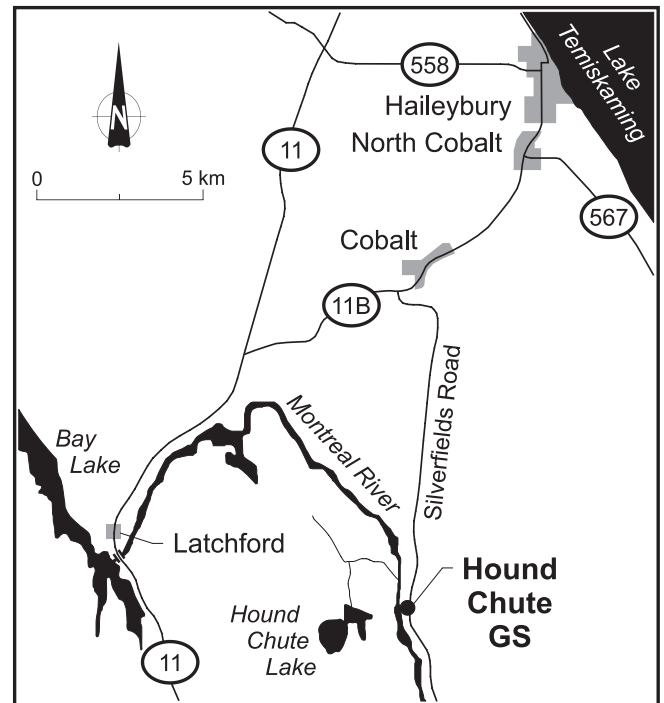
has a mandate from the Government of Ontario to "expand, develop and/or improve its hydroelectric generation capacity" and this project, will help do that. This can be done without any changes to the existing operating levels and flows as described in the Montreal River System Water Management Plan. Please take a few moments to read about this clean renewable energy project, and plan on attending our open house on Thursday April 20, 2006 at the Latchford Recreational Centre. There are phone numbers, and a web site listed below where you can learn more about the project.

ED DOBROWOLSKI, *Project Manager*

WHY REDEVELOP HOUND CHUTE?

There are several reasons why OPG wants to redevelop the Hound Chute Generating Station:

- The generating station is over 90 years old and the powerhouse is at the end of its current service life and requires replacement. Ongoing maintenance of the generating station will not provide a long-term reliable solution.
- Hound Chute Generating Station can continue to provide Ontario with a reliable, clean and renewable electricity.
- There is an opportunity to increase the power produced at Hound Chute by using modern technology and without changing the current and approved operating regime.



HOUND CHUTE AND LOCATION

OPG IS FOLLOWING THE ENVIRONMENTAL ASSESSMENT PROCESS

The project is subject to the requirements of Ontario Power Generation's Class Environmental Assessment for Modifications to Hydroelectric Facilities under the Ontario Environmental Assessment Act. In addition, a number of environmental permits and approvals may be required including approvals from the Ministry of the Environment and the Ministry of Natural Resources. The environmental assessment will examine the effects of the projects on the:

- Aquatic Environment (*water, fish and other aquatic life*)
- Terrestrial Environment (*adjacent trees, vegetation and fauna*)
- Socio-Economic Environment (*local economy, local social and economic uses*)
- Archaeological and Built Heritage (*archaeological, building or structural resources*)
- Atmospheric Environment (*air and noise*)

Field work associated with assessing the environmental effects will be carried out in 2006 and the results will be presented at a future open house. The environmental assessment report will also identify how any negative impacts will be mitigated. Federal authorities are also reviewing the project to determine whether a federal environmental assessment is required.

FOR MORE INFORMATION

OPG has retained SENES Consultants Limited of Richmond Hill, Ontario to undertake the environmental assessment. For more information on the Hound Chute Project or to be put on our mailing list, please contact:

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or visit the environmental assessment web site:

www.houndchute-ea.com

OPG IS SEEKING PUBLIC INPUT AS PART OF THE EA PROCESS

OPG is committed to consulting with First Nations, government agencies, the public and other interested stakeholders on the project. This will be done through the environmental assessment process. OPG wants to hear from people interested in the project. Your input and comments will be considered, documented and included in the preparation of the environmental assessment report.

To encourage public participation OPG will be holding Public Open Houses in Latchford. Stakeholders will have the opportunity to speak directly with representatives of OPG and its environmental consulting team.

The first open house will be held at the Latchford Recreation Centre on Thursday April 20, 2006 from 3:00 pm to 8:00 pm. A presentation will be given at 6:45 pm.

Our plan is to hold a second open house in the fall of 2006, when the environmental fieldwork has been completed.

THE PROPOSED REDEVELOPMENT WILL COMPLY WITH THE MONTREAL RIVER SYSTEM WATER MANAGEMENT PLAN

A Water Management Plan for the Montreal River System has been developed and was the result of a partnership between OPG, the Ontario Ministry of Natural Resources, the Department of Public Works and Government Services and Canadian Hydro Developers that have facilities along the river and influence the river's levels and flows. The operation of the redeveloped Hound Chute Generating Station will be in compliance with the Water Management Plan. The generating station will continue to operate as a run-of-the-river facility and be managed so that there is no change to the water levels and flows.

The Water Management Plan was prepared in accordance with the Water Management Planning Guidelines for Waterpower, as approved by the Minister of Natural Resources on May 14, 2002. The Ontario Lakes and River Improvements Act requires compliance by facility operators with the operating regimes (required levels and flows) established in the Water Management Plans and a compliance monitoring program has been established.