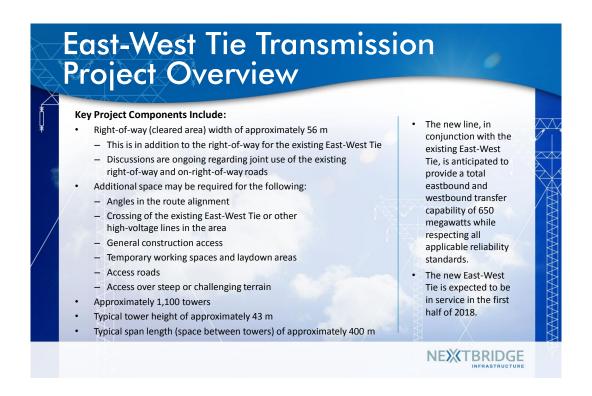


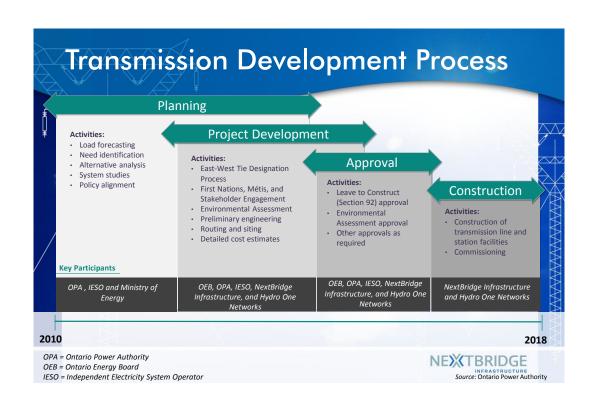
East-West Tie Transmission Project Overview The Project is to consist of a new, approximately 430 km double-circuit 230 kilovolt (kV) transmission line that extends from the Wawa Transformer Station (TS) to the Lakehead TS in Shuniah with a connection between these points at the Marathon TS. Hydro One Networks Inc. will be responsible for modifying each TS to accommodate the new line. Nipigon Pays Plat MARATHON TS Terrace Marathon White River LAKEHEAD TS Lake Superior 17 nder PUKASKWA Bay Legend Michipicoten Transformer Station (TS) Existing East-West Tie Routes Under Assessment WAWA TS NEXXTBRIDGE



Why We're Here? The Scope of the Project

- The Ontario Energy Board awarded NextBridge the privilege to develop the East-West Tie Project. Development refers to completing the work required to submit a Leave to Construct application and an Environmental Assessment.
- The Environmental Assessment and Leave to Construct applications are being completed in parallel and planned to be filed at the end of January 2015. The Ministry of the Environment and Climate Change will make a decision on the Environmental Assessment.
- The Ontario Energy Board is responsible for approving the project. When making this decision, the Ontario Energy Board may only consider the following as stated Section 96(2) of the *Ontario Energy Board Act*, 1998:
 - The interest of consumers with respect to prices and the reliability and quality of electricity service.
 - Where applicable and in a manner consistent with the policies of the Government of Ontario, the promotion of the use of renewable energy sources.



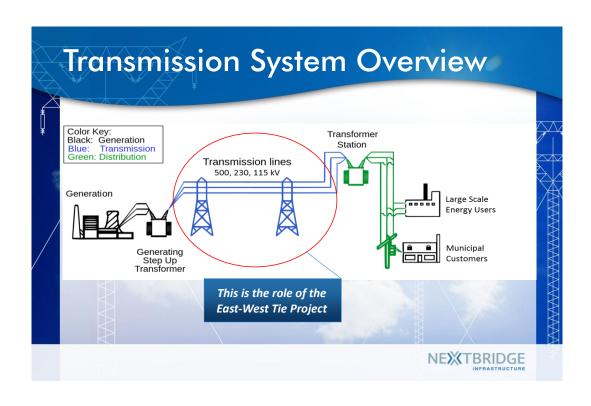


Project Rationale

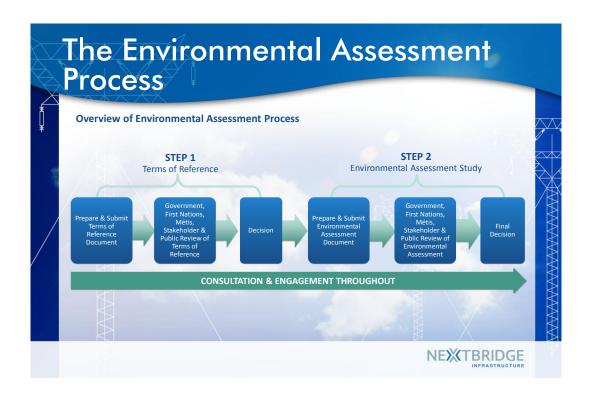
The Ontario Power Authority (OPA), the provincial agency responsible for long-term electricity planning, identified the expansion of the transmission system between Wawa and Thunder Bay in order to maintain a reliable, long-term supply of electricity to northwestern Ontario. Industrial activities in northwestern Ontario, particularly in the mining sector, are expected to drive electricity demand growth in the coming decade. Coupled with changes to the electricity supply in the area, the OPA has identified supply needs for the northwest, which can be met with additional transmission or generation. Following analysis the OPA recommended expansion of the East-West Tie based on technical, economic and other considerations. The East-West Tie was included as a priority project in the Government of Ontario's 2010 Long Term Energy Plan.







Projec	t Timeline		
Vole			
	*		
2010	Ontario Power Authority identifies the project		
2011	Minister of Energy asks the Ontario Energy Board to undertake a designation process to select a transmitter to develop the project		
2012	Ontario Energy Board asks for bids to develop a new corridor in Ontario's northwest		
August 2013	NextBridge selected as the designated transmitter		
2013-2014 Terms of Reference for Environmental Assessment			
2014-2015	2014-2015 Environmental Assessment		
2014-2015 Leave to Construct Application			
2016-2017 Construction			
2018	In Service		





Identification of Alternative Routes

Alternative Routes were identified using desktop data, including secondary source information (e.g, official plans, GIS mapping, data provided by government agencies and other existing literature).

Feedback received from the public Open Houses and other consultation activities, including comments received during the public review of the ToR, was also reviewed to identify Alternative Routes.

Factor	Rule
Natural	Avoid significant natural features (i.e., Area of Natural and Scientific Interest (ANSIs), Species a Risk, environmentally sensitive areas, wetlands and waterbodies), critical Landform/Vegetation (LV) types and adhere to appropriate setback requirements.
	Minimize watercourse crossings and reduce impacts to woodlands, wetlands, fish and wildlife habitats, and natural areas. Avoid areas with unsafe or hazardous slopes.
Socio-Economic	Maximize the distance from cultural heritage resources (archaeological, built heritage and cultural heritage landscapes).
	Minimize incompatibility with existing sensitive land uses (i.e., First Nation reserves, residences, agricultural lands, forest management areas, trap lines, mining claims).
	Minimize the use of private properties (i.e., use of existing ROW is favoured to minimize disruption to property owners).
	Minimize potential disturbance to adjacent residences (and traditional lands if applicable) which may be affected by construction activities.
	Minimize potential disturbance to adjacent commercial and industrial properties which may be affected by construction activities.
	Minimize potential disturbance to adjacent institutional and recreational properties which ma be affected by construction activities including tourism lakes.
	Maximize conformity with local land use policy.
	Minimize disruption to local traffic.
	Avoid impact to water wells, aquifer recharge areas and active mining/aggregate operations
Technical	Find the shortest and most direct routes.
	Minimize rail and road crossings.
	Avoid areas with an insufficient amount of construction work space or uneven terrain.
	Minimize the number of overhead electric transmission line crossings.
	Select the best topographical/terrain areas for the route (i.e., dry, flat and stable ground).



Selection of Alternative Routes

As indicated in the ToR, and using the general routing considerations, Alternative Routes were selected to:

- connect Lakehead TS and Wawa TS;
- avoid federal lands; and,
- avoid provincial parks and conservation reserves.

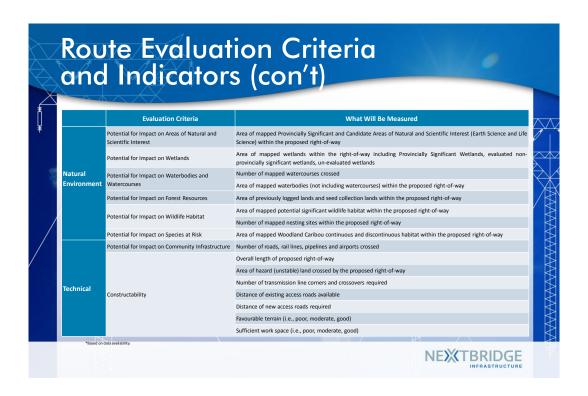
The majority of Alternative Routes follow existing (previously disturbed) corridors, including:

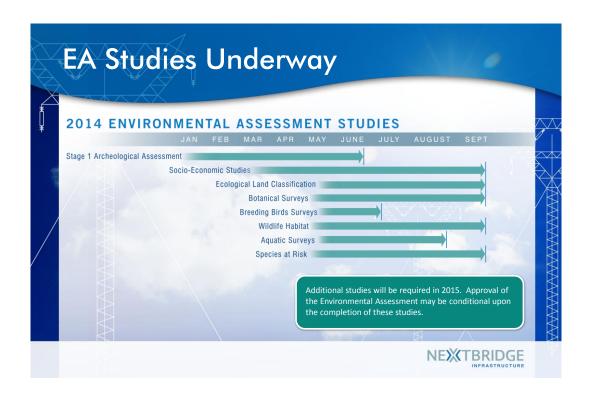
- Highway 11/17;
- local roads;
- rail lines;
- pipelines;
- logging roads (and associated cutover areas); and,
- transmission lines.

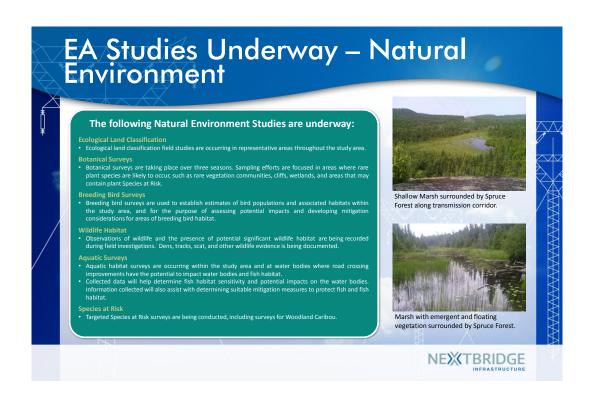
In areas without existing (previously disturbed) corridors, greenfield options were also selected including a submarine route in Lake Superior.

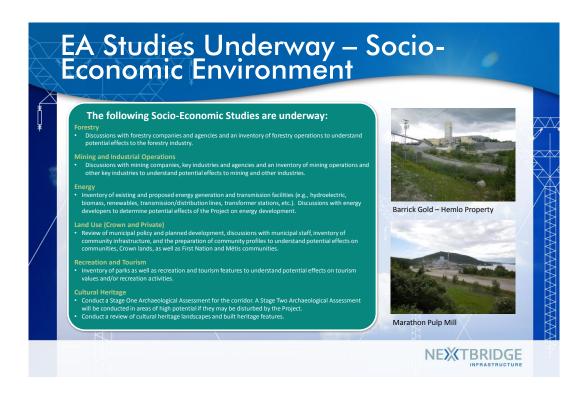


3	Indicato	5
<u> </u>	Evaluation Criteria	What Will Be Measured
Physical	Potential for Impact on agricultural soils	Area of agricultural fields within proposed right-of-way
Socio-Economic	Potential to Impact Private Property	Number of private properties potentially affected within the proposed right-of-way Number of potential dwelling displacements within the proposed right-of-way Number of potential property buy-outs within the proposed right-of-way
	Potential to Impact Different Land Uses	Number of settlement areas, forest management units and mining claims crossed Area of Conservation Areas, Conservation Reserves, Provincial Parks, National Parks, mines, mining claims, aggregate pits, area of high aggregate potential, commercial and industrial designated lands within proposed right-of-way
	Potential to Impact Community Services	Number of hospitals, healthcare facilities, schools and educational institutes, community centres, waste management facilities crossed
	Potential to Impact Tourism and Recreation	Number of trails, outposts, golf courses crossed Area of campgrounds within the proposed right-of-way
	Potential for Impact on Aesthetics	Number of scenic viewpoints within the right-of-way
	Potential for impact on Non-Aboriginal Archaeology, Cultural Heritage, Traditional Land and Resource Use	Length of right-of way with archaeological potential Number of known archaeological sites and cemeteries crossed Area of traditional land uses/harvest areas identified within the proposed right-of-way
	Potential for Impact on Aboriginal Archaeology, Cultural Heritage, Traditional Land and Resource Use	Length of proposed right-of-way with archaeological potential Number of archaeological sites within the proposed right-of-way Area of First Nation reserves, traditional land use/harvest areas, traditional burial grounds within the proposed right-of-way
	Potential for Impact on Way of Life	Métis mobility within the identified study area Types of teaching/ transmission programs, services and practices within the identified study area
	Potential for Impact on Harvesting	Spiritual connection to areas within the identified study area Type of harvesting activities within the identified study area identification of key cultural species harvested and conditions required for continued harvest.

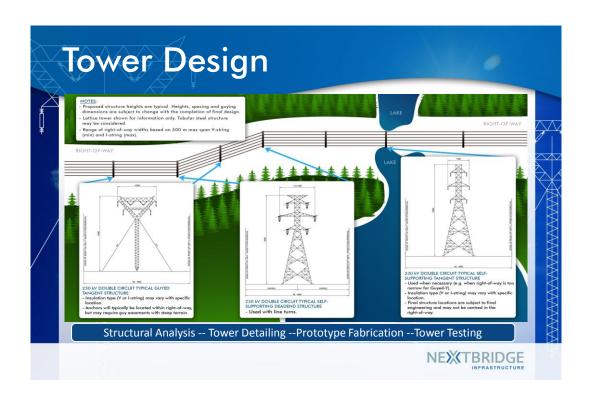


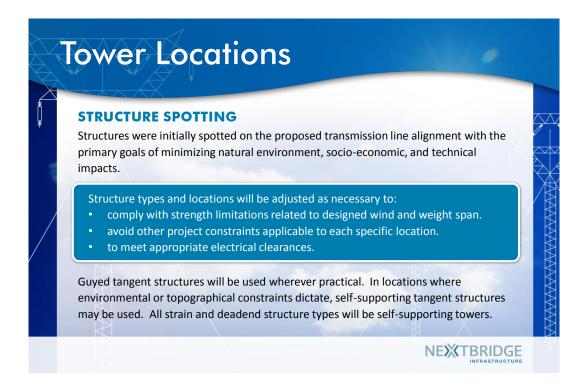












NextBridge Infrastructure's Engagement Commitment

COMMUNITY RELATIONS

NextBridge will engage stakeholders in any project it develops through honest, regular and open communication, seeking and respecting each party's input. We are committed to timely and meaningful dialogue with stakeholders, including governments, regulators, landowners, and interested members of the public, and believe that this input will be critical to a successful project that seeks to address the needs of those involved.

FIRST NATIONS AND MÉTIS RELATIONS

NextBridge Infrastructure considers the participation of First Nations and Métis communities to be an essential component of successful transmission projects in Northern Ontario. NextBridge is committed to working with First Nations and Métis communities in Ontario to provide sustainable benefits to those communities.





Consultation and Engagement Activities

Planned Engagement Activities during the Environmental Assessment

- Notice of Commencement of Environmental Assessment
- Notice of Open Houses
- Continuation of municipal, key stakeholder, First Nations and Métis, agency, and landowner meetings
- Project hotline: 1-888-767-3006
- Project website: www.nextbridge.ca
- · Additional newsletters
- Open House round two alternative route evaluation and proposed mitigation measures
- Open House round three Draft Environmental Assessment
- Draft Environmental Assessment 30-day comment period
- Notice of Submission of Environmental Assessment to Ministry of the Environment and Climate Change
- Minimum seven-week public comment period on submitted Environmental Assessment
- Posting of Ministry review of Environmental Assessment
- · Notification of Minister's decision

NextBridge is available to respond to questions and discuss the project with interested parties throughout the Environmental Assessment process



Consultation and Engagement Activities to Date

- NextBridge recognizes the importance of meaningful and respectful Stakeholder, First Nations and Métis engagement.
- We encourage participation at every step of this project.

During development of the Terms of Reference NextBridge has to date:

- · Notified landowners along the Reference Route and alternatives and established contact;
- Contacted directly affected landowners and Crown interest holders within the proposed corridor and along the proposed preliminary preferred reference route to obtain access to lands for preliminary survey and study activities
- Developed a project contact list and notified elected officials, municipal staff, agencies and other key stakeholders;
- · Placed ads in the local newspapers;
- · Initiated discussions with First Nations and Métis;
- Held Open Houses;
- Prepared and distributed notices and newsletters;
- Established a website and toll-free project hotline; and,
- Attended a public Town Hall meeting in the Township of Dorion.



Aboriginal Relations Activities Underway

- In early November of last year, the Crown signed a MOU with NextBridge that assigned
 the Duty to Consult to NextBridge. This designates NextBridge to undertake thorough
 and well-documented consultation efforts with 18 Aboriginal communities identified by
 the Crown.
- NextBridge has engaged with all 18 communities and has provided information on the Environmental Assessment, along with other project based activities
- Along with rights-based Consultation, NextBridge has signed a commercial term sheet with 6 First Nations along the proposed route in order to provide economic participation in the line
 - Fort William First Nation
 - · Red Rock Indian Band
 - Pays Plat First Nation

- Pic Mobert First Nation
- Ojibways of Pic River
- Michipicoten First Nation

NEXTBRIDGE

Electric and Magnetic Fields

- Electromagnetic Fields (EMFs; also called electric and magnetic fields) are invisible forces that surround electrical equipment, power cords, and power lines. You cannot see or feel EMFs.
- Every time you use electricity and electrical appliances, you are exposed to EMFs at extremely low frequencies (ELF). EMFs produced by both power lines and use of electrical appliances belong to this category.
- The levels of EMF drop off rapidly with distance from source.

HEALTH CANADA'S POSITION ON EMFS

There is no compelling scientific evidence that EMFs in living and school environments, regardless of distance from transmission lines, cause ill health such as cancer.

Health Canada (2012) states:

when you are inside your nome, the magnetic jielas from nigh voltage power lines and transformer boxes are often weaker than those from househol electrical appliances".

Based on the available weight of evidence, Health Canada "does not consider that any precautionary measures are needed regarding daily exposures to EMF at ELFs. There is no conclusive evidence of any harm caused by exposures at levels found in Canadian homes and schools, including those located just outsid the handradies of nourse line corridors"



Land & Property Matters

CURRENT ACTIVITIES

- Land Agents in the field consulting with property owners; Crown interest holders; and ministries on routes under assessment
- Right of Access Agreements are currently being sought for preliminary environmental and engineering studies
- Completion of a benchmark market valuation to establish the Fair Market Value (FMV)

NEXT STEPS

- Land Acquisition will be initiated in early fall 2014
- Land Agents will set appointments with property owners to discuss the Land Acquisition program and associated Compensation Principles
- Land Agents will be available throughout the land acquisition process to provide additional information and address any concerns that property owners may have



Land & Property Matters

NextBridge will engage landowners in an open and respectful manner, with a commitment to timely, meaningful and transparent dialogue as it relates to property owner compensation.

It is NextBridge's objective to acquire land rights for the proposed East-West Tie Transmission Line Project by successfully negotiating mutually acceptable agreements with property owners. NextBridge is confident that a positive "win-win" outcome for both NextBridge and the affected property owners can be achieved by applying a set of comprehensive and fair compensation principles, thereby avoiding potentially lengthier, less flexible and less certain outcomes associated with legislated expropriation procedures.

Land Agents will be contacting affected property owners and interest holders to discuss the Compensation Principles and Forms of Agreement related to the proposed East-West Tie Transmission Line Project.



Land & Property Matters

COMPENSATION AND ACQUISITION PRINCIPLES INCLUDE:

- Compensation payable to property owners and Crown interest holders
- Method for Establishing Fair Market Value
- Components of compensation including per acre value and potential incentives, injurious affection, timber loss, construction damages
- Forms of Agreement
- Reimbursement of legal and independent appraisal fees
- Mandatory Buy-Out Principle and approach



