

Landfill Gas Utilization Project Status for March 2010

PUI received confirmation from the OPA that our FIT application met the basic eligibility requirements of the program. The OPA is now assessing determining whether adequate connection resources exist to connect our project to the grid. The OPA has indicated that it will start offering FIT contracts sometime this month and we remain optimistic that our proposal to connect to Hydro One's 27.6 kV system will be more successful than our previous effort to connect to Hydro One's 44 kV system.

The draft design for the SFA expansion should be near completion. I have requested FVB provide an update and will forward this upon receipt thereof.

We are meeting with representatives of the Ministry of Environment and Ministry of Energy and Infrastructure on Friday in Toronto to discuss the Renewable Energy Approval process and requirements. Our intention is to commence consultation work and additional studies to fill in any information gaps thereafter.

As you can understand, we are attempting to manage our budget in the event that our FIT application is not successful. Once we receive a FIT contract offer, effort on the project will ramp up significantly to include:

- (1) re-application for a Connection Impact Assessment;
- (2) completion of design and tendering for the expansion of the SFA collection system;
- (3) final design and tendering for the LFG generation facility;
- (4) completion of Renewable Energy Approval studies, consultation and approval; and
- (5) other permits and approvals as required (i.e. ORCA permit for work within the wetland buffer).

Schedule is a bit fluid at this time, but site construction works are not overly significant. Depending on the status and our level of comfort on the connection and REA approvals, we may be able to place the order for delivery of the gensets this summer and have the project up and running next summer (delivery of gensets will primarily dictate schedule).

John Wynsma, P. Eng.
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