1442 Firwood Crescent, Peterborough, Ontario. K9K 1J1 20 June, 2011.

Mr. Wayne Jackson, P.Eng., Manager Utility Services. City of Peterborough.

Update on Renewable Energy Management Inc. [REM]

Dear Mr Jackson:

We hope this update on REM activities will be of interest to you, your staff and the Waste Management Committee.

Wesleyville EFW Facility.

- * The consultant is Conestoga-Rovers and Associates.
- * The 360,000 T/Y facility is to be constructed in three stages each with a 120,000 T/Y module.
- * Current letters of intent for the supply of waste exceed the capacity of the first module.
- * A power purchase agreement [PPA] with the Ontario Power Authority is currently under negotiation, with support from the Ministry of Energy.
- * Financing has been arranged subject to the PPA.
- * The Municipality of Port Hope has signed on as a willing host.
- * REM has purchased 23 acres adjacent to the OPA Wesleyville site.

- * The environmental screening process with the Ministry of the Environment is advanced and proceeding well.
- * The facility will incorporate advanced MRF technology.
- * REM have invited Peterborough to consider the Wesleyville facility as a bridge to the establishment of a local EFW facility.

Brant County:

- *The consultant is Conestoga -Rovers and Associates.
- *The facility is to be identical to the Wesleyville facility.
- * A site in the Industrial Park has been finalized.
- * The County and the Aboriginal community have signed on as willing hosts.
- * The environmental screening process has been initiated.
- * Political support is excellent with the Brant County MPP as deputy energy Minister.

Sudbury:

- * Sudbury plans for an [REM] energy from waste facility are progressing well.
- *Sudbury has selected a site for the new EFW plant.
- * The environmental screening process has been initiated.

Edwards Air Force Base:

* REM technology has been approved by the U.S.Air Force and the Department of Defence in Washington for a large EFW facility incorporating an MRF and the conversion of residual waste to green energy. A final contract is being negotiated,

Ontario Government:

* REM is deeply involved with the Provincial Government in the development of new policy to recognize EFW as a valuable renewable energy resource. The new program is titled "Alternative Energy Program" We understand the new plan is to alleviate the need to modify the FIT [fit in tariff] program, which currently excludes EFW.

I will be pleased to try to provide additional information if there is a need.

Yours very truly

Ed. K. McLellan

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