



Enbridge Inc.
795 Queen Street
Kincardine, ON
N2Z 2Y6

May 10, 2019

The Municipality of Kincardine
1475 Concession 5, RR#5
Kincardine ON N2Z 2X6

Dear Council Members,

Please accept the following as the 2018 report to Council from Enbridge Power Operations.

Overview

The objective of this report is to update Kincardine Municipal Council on Enbridge's operations and community relations activities in the Municipality of Kincardine.

Enbridge has operated the 5-turbine Cruickshank Wind Farm and 110-turbine Underwood Wind Farm since 2009. Collectively, the wind farms produce 190 megawatts of electricity, enough to power up to 60,000 Ontario homes. The turbines were manufactured by Vestas, who provide ongoing maintenance and troubleshooting services at our sites.

In the Municipality of Kincardine, Enbridge employs 8 full-time staff and Vestas employs 17 full-time staff. Enbridge also hires a number of local contractors for snow removal, substation maintenance, sound monitoring and other services related to wind farm operations.

In 2018, Enbridge paid more than \$330,000 in property taxes to the Municipality of Kincardine, which includes both property and school payments. As part of our lease agreements, we make more than \$700,000 in payments to 57 local landowners annually.

Safety

At Enbridge, safety is our number one priority. We are committed to ensuring everyone returns home safely at the end of each and every day, and that our assets are operated in a safe and reliable manner. Our commitment to safety reflects our care for employees, contractors, the communities in which we operate and the environment. We routinely issue Call Before You Dig reminders, contact landowners for crop spraying notifications, and hold annual landowner meetings. As in previous years, we implemented an ice notification outreach plan, aimed to inform our neighbours of the potential risk of ice throw from wind turbines during the winter months from November to April. The 2018 public notifications include:

- Ice notification postcards mailed to every home located within the wind farm
- Monthly ads in the Kincardine News, Kincardine Times, Kincardine Independent and Shoreline Beacon
- Radio ads on Country 93 and The Beach, and
- Placement of signage in areas of potential falling ice.

On November 22, 2018, we performed a mock emergency drill at the Underwood Wind Farm, which simulated a fire in the hub of a turbine. The Kincardine Fire Department responded to the site within 14 minutes of our emergency call, and evacuations were successfully completed. A perimeter was established around the turbine to ensure all participants stayed a safe distance away while the fire burned

out. Regularly conducting exercises helps us to maintain our response skills, identify potential hazards, improve processes and maintain a safe work environment.

Environment

In 2018, we entered year four of a five-year habitat restoration partnership with Lake Huron Centre for Coastal Conservation (LHCCC) and Saugeen Conservation. This partnership was the result of discussions with the Municipality of Kincardine, LHCCC, Ministry of Natural Resources and Saugeen Valley Conservation Authority. Years one through three of the \$100,000 project focused on managing phragmites at the Brucedale Conservation Area, as well as school education programs and the creation of a site specific plant inventory. In 2018, we continued managing invasive species by providing funding for an amphibious cutting machine to complete the cutting and removal of phragmites from the entire bay in front of the Brucedale Conservation Area. We also funded and participated in public education programs at the site as well as environmental restoration. The project is being managed by LHCCC and our funding has provided an opportunity for the Centre to secure additional financial support for the site.

Community

Since 2009, Enbridge has provided over \$712,000 in funding to non-profit and community organizations in the Kincardine and Tiverton areas. Enbridge is proud to help make positive and lasting impacts and strengthen the communities in which we live and work. Enbridge contributes to three core areas – everyone's community, everyone's environment, and everyone's safety. Applications for funding can be submitted online at www.enbridge.com/funding, and are reviewed three times per year.

In 2018, 15 donations totaling over \$32,000 were made to various festivals and events in the Kincardine area to support the local economy and to help fuel quality of life. Enbridge sponsored the Quality of Life Award at the Kincardine & District Chamber of Commerce Community Achievement Awards, the opening ceremonies at Kincardine's 10 year reunion, the youth showcase stage at the Lighthouse Blues Festival, earth week activities at local schools, Enbridge day at the Kincardine Fish Derby, a handbag for the Handbags for Hospice event, as well as many other environmental, educational and cultural events to help build a strong, vibrant community.

Highlights of 2018 funding to date includes:

- Lake Huron Centre for Coastal Conservation – \$20,000 Year 4 of 5 for habitat restoration at Brucedale Conservation Area
- Bruce County Museum - \$20,000 (over 4 years) for The Last Frontier Exhibit
- Kincardine Old Boys and Girls Reunion - \$5,000 sponsorship for the opening ceremonies at Kincardine's 10 year reunion
- Grey Bruce Sustainability Network - \$5,000 sponsorship of the EnergyWORKS program
- Nawash First Nation - \$10,000 towards their outdoor rink project

For a full list of 2018 Community Sponsorship recipients, please refer to Appendix A.

As part of our community outreach, we also issued a community newsletter. This newsletter, which is circulated to all homes within our wind farm, featured highlights of our operations as well as community investments. We also distributed CanWEA's (Canadian Wind Energy Association) bi-annual newsletter to our landowners. This newsletter provides an opportunity to connect the wind energy community with the work that the industry is doing and to share news and stories from around the globe.

On December 5th, we hosted our annual landowner dinner where we shared updates on activities that have occurred at the wind farm, such as our recent partnership with the Canada Pension Plan Investment Board, annual maintenance activities, safety topics, and upcoming events.

Canada Pension Plan Investment Board Partnership

In 2018, Enbridge entered into a joint venture partnership with the Canada Pension Plan Investment Board (CPPIB), which included all of Enbridge's Canadian renewable power assets, as well as 2 U.S. assets and 2 offshore wind projects in Germany. This transaction was part of Enbridge's corporate strategy to sell or monetize assets to strengthen our financial position and further position us for long-term growth. Enbridge remains committed to the renewables sector, and will continue to operate and manage the assets we are currently responsible for. There will be no changes or impacts to the community as a result of this transaction. Enbridge will now own 51% of its previous ownership level in our renewable assets and CPPIB will own 49%.

Noise Complaints

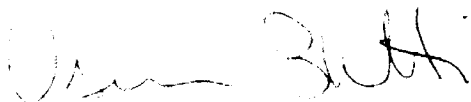
Since October 2002, continuous sound and wind measurements have been taking place at 2 locations within the Underwood wind farm, in accordance with the Ministry of Environment and Climate Change (MOECC) Compliance Protocol for Wind Turbine Noise. In 2015, Enbridge used an independent firm to conduct a noise audit upon the MOECC's request. The MOECC had originally mandated an audit period of six weeks; however, Enbridge extended the audit to 8 weeks in an effort to obtain more data at higher wind speeds. Despite this, specific wind measurements (as defined by the Protocol) were not experienced during the audit period. Where appropriate, conclusions were made based on the data collected; however, the report was deemed incomplete.

MOECC's Compliance Protocol has since been updated, and Enbridge and the MOECC agreed that the existing measurement data would be reassessed under the updated Compliance Protocol. The data collected at the noise receptors between 2014 and 2015 was finalized into a noise immission (I-Audit) report and submitted to the MOECC on January 30, 2018.

On August 3, 2018, the MOECC sent a letter to Enbridge acknowledging that the Underwood Wind Power Project was in compliance with the applicable sound level limits. In early 2019, the MOECC requested additional support data for the assessment report that was submitted. Enbridge continues to work with the MOECC to come to a resolution on any outstanding requirements.

For any further information or questions, feel free to contact Usman Bhatti, Underwood and Cruickshank Plant Manager, at 519-396-2492 or by email at usman.bhatti@enbridge.com.

Sincerely,



Usman Bhatti, P.Eng
Plant Manager – Underwood and Cruickshank Wind Farm
Enbridge – Green Power, Transmission and Emerging Technology

Appendix A

2017 Community Sponsorship recipients include:

- Lake Huron Centre for Coastal Conservation - \$20,000 Year 3 of 5 Bruce Dale Conservation Area
- Kincardine & District Chamber of Commerce - \$540 for sponsorship of the Enbridge Quality of Life Award at the Community Achievement Awards
- Kincardine Canada Day Committee - \$2,500 for Canada Day 150
- Kincardine Scottish Festival & Highland Games - \$2,500 sponsorship
- Lighthouse Blues Festival - \$5,000 sponsorship
- Kinetic Knights Robotics - \$3,000 Building Future STEM Leaders
- Saugeen Valley Conservation Authority - \$2,500 Wonders of the Wetland environmental education at Bruce Dale Conservation Area
- Bruce County Museum - \$5,000 (Year 1 of a 4 year/\$20,000 commitment) The Last Frontier Exhibit
- Bluewater Summer Playhouse - \$3,000 sponsorship
- Grey Bruce Sustainability Network - \$5,000 EnergyWORKS program
- Bruce County Conservationists - \$500 to raise money for local youth, seniors & community groups
- Kincardine & District Chamber of Commerce - \$1,000 for the fishing derby
- Bruce County Plowmen's Association - \$1,100 for the annual plowing match
- Grey Bruce Children's Water Education Council - \$2,500 for the water festival
- Community Living Kincardine & District - \$5,000 for the Accessible Deck Project
- Nawash First Nation - \$7,700 sponsorship of the Nawash Charity Golf Tournament
- Bird Studies Canada - \$3,000 for a Saugeen Motus Wildlife Tracking System at a local residence
- Bruce County Heritage Association - \$2,000 for the 2017 Farm Show
- Huron Shores Hospice - \$1,000 for the Handbags for Hospice Event
- Kincardine Trails Association - \$2,000 for the Kincardine to Inverhuron Provincial Park Trail
- Saugeen First Nation - \$5,000 for their Youth Leadership Program, and
- Kincardine Chamber of Commerce - \$500 for the Santa Claus Parade

Total sponsorship in 2017: \$80,490