



Landowners of the Bayfield Stanley CAES Project

December 12, 2017

Ministry of Natural Resources and Forestry
300 Water Street
P.O. Box 7000
Peterborough, ON K9J 8M5

659 Exeter Road
London, ON N6E 1L3

700 Bay Street
24th Floor, Box 330
Toronto, ON M5G 1Z6

Dear Mesdames/Messieurs:

Re: Landowner Support for CAES Pool Development at Bayfield and Stanley

We are the landowners in the Bayfield and Stanley rock reservoir pools that exist under our freehold lands.

For several years, we worked closely with Tribute Resources Inc., supporting the development of these rock reservoir pools for natural gas storage. After a thorough and public evaluation process, the pools were approved for gas storage in December 2012. They have not been economic to develop and tie in due to low gas prices and regional fracking, resulting in plentiful local gas supplies. This situation is likely to continue for the long-term and the projects will not be connected to the Dawn Trafalgar pipeline.

Rather than lose the opportunity to make these valuable rock formations useful, we were pleased to see that Tribute persisted to find an alternative use for them. They have found a partner in Sigma Energy Storage in order to develop the pools for utility scale compressed air energy storage (CAES). The companies have met with us for three years, and have recently explained to us their plans to work with the IESO and the government of Ontario.

The landowners above these pools own the subsurface rights to these lands and are keen to put them to a useful purpose. The proposals that Tribute and Sigma have brought to us show that they have worked to develop an economically viable alternative, which will be useful from an electricity grid support perspective, and will generate income for our families and farms. The companies' work with the

Independent Electricity System Operator (IESO) is most encouraging and the study is supportive of, and offers commercial legitimacy to, the proposed projects.

The landowners are proactively endorsing this CAES development and will be working through a landowners committee with both companies to ensure the developments are entirely compatible with our farm operations and reflect sustainable environmental practices. We are confident that if there is practical and appropriate regulatory support and interaction with our government agencies, including the passage of a specific regulation to allow these pools to be developed for CAES, there will be a significant benefit to the landowners, and to all electricity customers in Ontario.

Yours truly,

Gordon Paton

Mary Erb

Stacy

Ron Finkbe

Phyllis Rames

Mel Oaken

Harold W. Ash

Betty Hayden

Fred

Erwin King

Helene King

Bob Hill

Pat