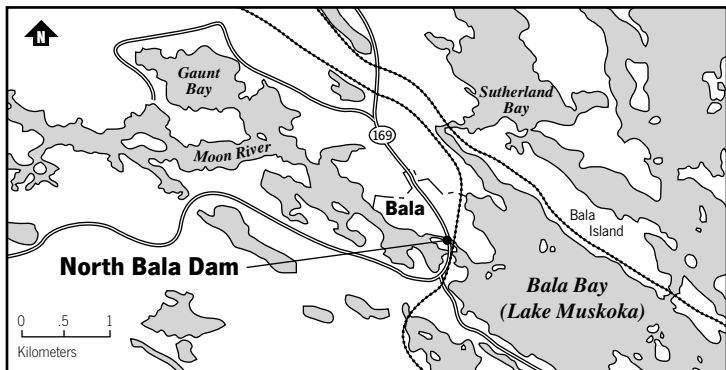


**D3 Notice of Commencement
to Additional Stakeholders
December 2007**

Notice of Commencement Environmental Screening North Bala Dam Hydroelectric Project

Swift River Energy Limited Partnership (Swift River) is proposing the construction of a 3 to 4MW run-of-the-river hydroelectric facility at the North Bala Dam. The proposed project will be governed by the existing water level rule curves for Lake Muskoka as outlined in the Water Management Plan for the Muskoka River System.

The map below indicates the location of the proposed development.



The Ontario Ministry of Natural Resources (MNR) has selected Swift River as the Applicant of Record through competitive site release under the Waterpower Site Release and Development Review Policy. The project is subject to the Ontario Ministry of the Environment (MOE) Environmental Screening Process for Electricity Projects required under Regulation 116/01 of the Environmental Assessment Act as well as assessment under the Canadian Environmental Assessment Act (CEAA). The screening process will be conducted so as to meet the substantive information and consultation requirements of the MNR's Water Management Planning Guidelines for Waterpower.

Hatch Ltd. (formerly Hatch Acres) has been retained by Swift River to undertake the environmental screening process for the project. Comments and/or questions concerning any aspect of the proposed project are welcomed and should be directed to:

Trion Clarke

Hatch Ltd.

4342 Queen Street

P.O. Box 1001, Niagara Falls, ON

L2E 6W1

Phone: 905 374 5200 ext 5298; Fax: 905 374 1157

Email: tclarke@hatch.ca

Public Information Centres will be scheduled to be held in Bala in 2007. The dates and venues will be published in local newspapers once the details are finalized. A Notice of Commencement for this project originally appeared in this newspaper in March 2006.

Information will be collected and used in accordance with the Freedom of Information and Protection of Privacy Act. This material will be maintained on file for use during the study and may be included in project documentation. With the exception of personal information all comments will become part of the public record.

December 5, 2007
327078.60.01

Stakeholder
Address

Attention: Stakeholder

Dear Stakeholder:

Subject: North Bala Hydroelectric Project

Swift River Energy Limited Partnership (Swift River) is proposing the construction of a 3 to 4Megawatt (MW) run-of-the-river hydroelectric facility at the North Bala Dam. The proposed waterpower project will be governed by the existing prescribed water level ranges for Lake Muskoka as outlined in the Water Management Plan for the Muskoka River System.

Swift River was selected as the Applicant of Record through competitive site release under the Ministry of Natural Resources (MNR) Waterpower Site Release and Development Review Policy. The project is subject to the Ontario Ministry of the Environment (MOE) Environmental Screening Process for Electricity Projects required under Regulation 116/01 of the Environmental Assessment Act, as well as assessment under the Canadian Environmental Assessment Act (CEAA). The screening process will also be conducted so as to meet the substantive information and consultation requirements of the MNR's Water Management Planning Guidelines for Waterpower.

Hatch Energy has been retained by Swift River to undertake the environmental screening process for the project. Recent public consultation activities already conducted as part of the environmental assessment process include the re-publication of a notices of commencement in the *Bracebridge Examiner* and the *Muskoka Today* newspapers during the week of August 6, 2007 and a preliminary Public Information Centre (Open House) in Bala on August 29, 2007.

At least one additional PIC will be held when more details concerning the project are available. As the environmental assessment proceeds, we will notify you of any future consultation activities for this proposed project. There is a website (www.balafalls.ca) which is maintained by Swift River Energy, where you may obtain additional information on the proposed project.

If you have any questions or comments, please do not hesitate to contact the undersigned at tclarke@hatchenergy.com or by telephone at 905-374-0701 ext 5298.

Yours very truly,



Trion Clarke
Senior Environmental Scientist