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First Major Northern Hydroelectric Project in 40 Years Boosts Northern Economy *Lower Mattagami Project Generates Jobs, and Clean, Renewable Electricity*

[Toronto]: Construction of Ontario Power Generation's (OPG) \$2.6-billion Lower Mattagami Project is underway. The largest northern hydroelectric generating construction project in 40 years will increase Ontario's supply of clean, renewable power by about 440 MW and create hundreds of jobs. OPG's partner in the project is the Moose Cree First Nation, which will have up to a 25 per cent equity share in the project.

"Ontario has established itself as leader in clean energy expertise, manufacturing, and development," said Brad Duguid, Minister of Energy and Infrastructure. "The Lower Mattagami project is indicative of that leadership and symbolic of what the Growth Plan for Northern Ontario seeks to achieve: positioning the north for a leadership role in developing a sustainable provincial energy supply and creating economic opportunities for Aboriginal peoples."

Minister of Aboriginal Affairs Chris Bentley, noted "It is partnerships like these that support sustainable Aboriginal communities and strengthen regional economies. It's good news for Moose Cree First Nation, for Kapuskasing, and for Ontario as a whole."

Minister of Northern Development, Mines and Forestry Michael Gravelle added, "I am delighted to see this project begin construction. This project is great news for northeastern Ontario as the investment will create hundreds of jobs in the construction industry, local and first nation communities, and help in building a stronger more prosperous northern Ontario."

"The Lower Mattagami Project provides real and lasting opportunities for all Moose Cree members collectively and helps us build commercial capacity and infrastructure for the future," said Moose Cree First Nation Chief Norman Hardisty. "As true partners in this development, we believe it will provide an economic foundation for the First Nation well into the future. We are grateful to our Elders for their guidance and support for the project."

"This is a proud day for OPG. With this project, we continue the legacy and contributions of publicly-owned power in Ontario," said Tom Mitchell, OPG's President and CEO. "Lower Mattagami, like Ontario's other important generation assets, will play a central role in the well-being of the local community and regional economy."

Kapuskasing Mayor, Alan Spacek added that "the project is great news for our community and the North. The people at Ontario Power Generation have worked closely with us to ensure we were kept informed of the project at every step along the way. We are not only very excited about the economic

opportunities that this project brings but also being part of a mega-development that is going to supply clean, renewable power to Ontarians for generations to come”.

Key Facts:

- Approximately 600 people will work on the project annually, with a peak of over 800, during the five years of construction. In total, the project will create over 4,000 person years of direct, and indirect employment.
- The development will expand the capacity of four existing stations from 486 MW to 924 MW of dispatchable, peaking power.
- The project has four parts: rebuilding Smoky Falls Generating Station and adding new generating units at Harmon, Kipling, and Little Long generating stations. Making use of existing sites creates valuable renewable energy with minimal environmental disruption.
- In total, the project will add approximately 440 MW of hydroelectric capacity, or enough electricity to power between 330,000 and 440,000 homes.
- Following a competitive global search for a qualified contractor, Ontario Power Generation has awarded the contract to design and construct these facilities to Kiewit Alarie Partnership (KAP). KAP is a partnership between two of the largest construction firms operating in Canada: Peter Kiewit & Sons Co. (“Kiewit”), a North American company with offices in Milton, Ontario, and Leo Alarie and Sons Construction Ltd. of Timmins, a subsidiary of the Aecon Infrastructure Group (“Aecon”).
- Ontario Power Generation’s \$2.6 billion project budget includes the design build contract as well as contingencies, interest and other OPG costs including project management, contract management, impact agreements with First Nations, and transmission connection costs. OPG and the Ontario Power Authority are working to finalize and execute a Hydroelectric Energy Supply Agreement for the project. OPG is in the process of arranging project financing.

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