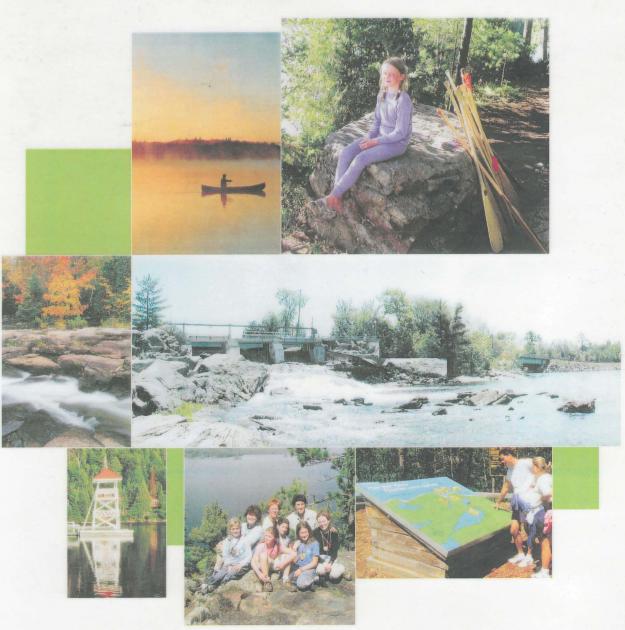
NORTH BALA DAM

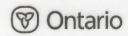
PROPOSAL #: MNR-DAM-RFP-01-05

JULY 05 2005





in association with
Horizon Hydro Inc.
Acres International
Limited
Bracebridge
Generation Limited
Forrec Ltd.
Gowling's Energy Group



2.2 Category 2 – Technical and Feasibility of Project

2.2.1 Overview of the Project

The proposed development is a low-head hydroelectric power facility constructed at the south end of North Bala dam. The conceptual layout of the proposed facility is shown in Figures 2.1 and 2.2. The entire development would be on Crown land.

The power facility would be operated as a 'run-of-river' power plant operated in conformance with the water levels and available flows detailed in the Preferred Option in the Options Report for the Muskoka River Water Management Plan (WMP).

The project is feasible for installed capacities in the range of 3 to 4 MW. Swift River Energy Limited has decided that the preferred installed capacity is 4 MW. At this installed capacity, Swift River would be able to take advantage of any higher flows in the spring, winter and fall to compensate for the restrictions associated with generation during the summer season.

Further details of the proposed development are presented in the following sections in response to the information requested in the Request for Proposals (RFP).

2.2.2 Proposed Project Arrangement

The proposed general arrangement for the hydroelectric development is shown in Figures 2.1 and 2.2.

This arrangement is the preferred solution and is based on the assumption that the distribution of flow at the face of the intake would be acceptable to the manufacturer of the turbine.

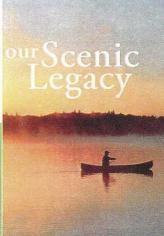
To confirm this assumption, it would be necessary to perform detailed hydraulic studies. Such studies might indicate that the general arrangement should be modified.

NORTH BALA DAM

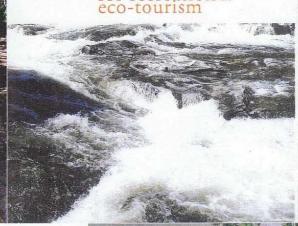
GREEN POWER GREEN SPACE IN HARMONY

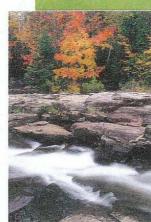




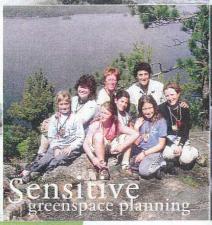








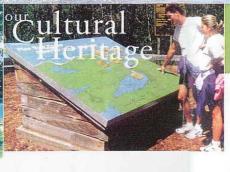












a natural approach to Landscaping

HARNESSING
THE POWER OF
THE RIVER



2.2.4 Consideration of Socioeconomic Values

Swift River's philosophy with respect to the socioeconomic values of the Bala site is represented graphically in the preceding fold-out page (Figure 2.3).

In its RFP, Category 2, page 13, the Ministry requests the proponent address, "Consideration for scenic flows, traditional uses and continuity of business... aesthetic, recreational, social and economic (i.e., tourism) values in the area of development."

Acres and Forrec (a leader in landscape architecture and planning of tourist sites – see Annex 1) have been engaged to advise Swift River on North Bala Dam. Forrec currently works on design of the nearby Gravenhurst waterfront development.

Our Consideration for Aesthetic Values

We will employ today's most advanced engineering and design technologies to create a much more discreet facility than the original Bala Power House, (built in 1917 and demolished in the 1960's). Our intention is to harmonize the architecture of the new facility with the natural environment of the site by installing a low-profile power house built mostly underground (bunker-type). Its roof will be below road level and only some 5 ft above ground level, creating an excellent vantage point for visitors to view the surrounding lake, falls and parkland. Transformers will be hidden, cables buried and antique-style concrete work used to give the power house a more authentic look that will artfully blend with the historic and natural landscape of this vital waterway. We are providing two graphic representations of the site on the following pages showing the proposed new generating plant:

- Figure 2.4 View from Downstream North Bank
- Figure 2.5 View from Intake Channel Looking Downstream.

Our Considerations for Economic Values and Tourism

Our commitment extends beyond minimizing the visual impact of the facility. Swift River is keenly aware of the importance of this site as an outdoor recreation area for tourists and local residents. A key element in our development of the site therefore will be to enhance the natural landscape. Through tree plantings, improved maintenance of public green spaces and the

Figure 2.4 View From Downstream North Bank

