

30050-20/NaiKun-15

NAIKUN

29 May 2007

Sue Bonnyman
Project Assessment Manager
Environmental Assessment Office
Ministry of Environment
Government of British Columbia
Victoria BC V8W 9V1

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	PAD	✓ GA
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Environmental Assessment Office	Other	✓ FW

By Hand

Re: Intent to File Revised Terms of Reference and Project Description

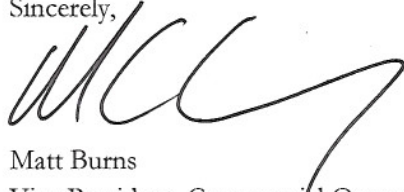
Ms. Bonnyman,

Per our conversation earlier this week, NaiKun Wind Development Inc. intends to file with the Environmental Assessment Office, Terms of Reference and a Project Description that reflect recently announced improvements to the project:

1. HaidaLink – Is a clean energy solution for Haida Gwaii. An MOU was signed with the Haida Power Authority to develop the project as an extension of the existing 320 MW offshore wind farm. The proposed transmission line, through a new substation at Tlell, would connect Haida Gwaii to the NaiKun wind project on Dogfish Banks in Hecate Strait. Therefore, it would deliver clean wind energy to the Islands as well as connect Haida Gwaii to the provincial electricity grid.
2. Transmission route – NaiKun has narrowed down the transmission routing options for the project. Two options remain: (1) An entirely undersea, direct current (DC) route that will make landfall at Port Edward; (2) The alternating current (AC) option is also undersea, but will require an intermediate landfall on Porcher, Prescott or another neighboring island. The cable will come ashore and connect to a 1200m² reactor facility, return immediately to the undersea route and continue to Port Edward. The overland Porcher Island route is no longer under consideration.

Together with our consultants, we are in the process of determining what additional studies may be required regarding HaidaLink, and how the scope of the current programs may be affected. Both of these items, as well as the changes resulting from agency and public comments, will be addressed when the Terms of Reference is submitted for final review.

Sincerely,



Matt Burns
Vice President, Commercial Operations
NaiKun Wind Development Inc.