



June 2, 2006

ESS Canada Inc.  
David Karavitz

**Re: Essex Powerlines Energy Conservation Program Incentives**

**Essex Power Lines Corporation Conservation and Demand Management (CDM)** program is expanding the reach and accessibility of the culture of conservation through a group of innovative and resourceful programs that put the drive to learn and power to conserve in the hands of the energy consumers.

By partnering with industry-specific service partners, Essex Power is providing best-in-class energy conservation and education solutions.

As part of our CDM program, a customer can submit an Energy saving project for review, and after analysis, if the energy savings benefits both the LDC and the customer, a calculated incentive will be offered to bring the payback to an acceptable level, to push the project forward.

After analysis the **Circuit Master** installation at Family Tradition Foods (now Carriere Foods), on the Lagoon Hydro Efficiency Project did qualify for a CDM incentive. With the installation of ten circuit master devices, the load was reduced by 15% at each location, decreasing the power required for operation, reducing by 130 amps, improving power factor at the source, resulting in an overall savings of 114 kw demand, or 998,640 kwh annually.

We look forward to other opportunities presented by ESS Canada

Respectively yours,

A handwritten signature in black ink that reads 'Lawrence Musyj'.

Lawrence Musyj  
CDM Coordinator  
Essex Powerlines