

Message

From: DEAN MUNCASTER [REDACTED]
Sent: 2/14/2011 3:48:48 PM
To: Ed Houghton [ehoughton@collus.com]
Subject: Re: Draft KPMG Proposal Letter

Ed:

The proposal seems to me to meet our requirements.

If I remember our previous discussion correctly, the fee estimate exceeds your authorization limit, and therefore raises the tactical questions about the involvement of the other COLLUS Power directors. Because Mayor Cooper has been involved in the previous consideration of having this valuation done that should not be a difficulty and I would suspect that we will be relying on her judgement about the involvement of the shareholder.

The point at which David McFadden is introduced to the issue is an interesting one, but I would think that sooner is better than later if that does not cause you or the Mayor undue difficulty from a political point of view, because he has the obligations and responsibilities of a director.

Other than these tactical issues, I believe that the project is well launched.

Adios from the sunny coast of Mexico, although it has been much colder than during our previous trips,
Dean

From: Ed Houghton <ehoughton@collus.com>
To: Dean Muncaster [REDACTED]
Sent: Mon, February 14, 2011 10:12:22 AM
Subject: FW: Draft KPMG Proposal Letter

Dean:

Please review the attached proposal. In my view it looks exactly what we requested.

Thanks.....Ed

From: Erling, Jonathan M [mailto:jerling@kpmg.ca]
Sent: Monday, February 14, 2011 10:08 AM
To: Ed Houghton
Cc: Herhalt, John M; Rockx, John
Subject: Draft KPMG Proposal Letter
Importance: High

Hi Ed:

Please find attached a draft of KPMG's letter of proposal to assist Collingwood in a review of its utility ownership options. Please have a look and let us know if you need any changes to the scope of work.

Best regards,

Jonathan

<<LOP-February 14th with Terms - DRAFT.docx>>

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