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His Worship John Henry
Mayor of the City of Oshawa
50 Centre Street South
Oshawa, Ontario L1H 3Z7

Dear Mr. Mayor:

I am writing in response to your letter to the Right Honourable Stephen Harper, on behalf of the Oshawa City Council and the Region of Durham Council, concerning your opposition to the development of an ethanol plant at the Oshawa Harbour.

As you know, FarmTech Energy Corporation has applied for funding to construct an ethanol production facility on Oshawa Harbour Commission lands under Agriculture and Agri-Food Canada's (AAFC) ecoAgriculture Biofuels Capital (ecoABC) Initiative. This application is currently being assessed.

A rigorous environmental assessment for the proposed project was undertaken in accordance with the *Canadian Environmental Assessment Act*. Because of public interest in the proposed project, AAFC provided an opportunity for interested parties to participate in the process through public consultation on the Environmental Assessment Screening Report. The consultation period was extended by two weeks (to August 12, 2011) to provide additional time for the City of Oshawa and other stakeholders to review and comment on the report.

All pertinent comments and concerns about FarmTech's proposed project will be considered by AAFC in order to make an objective decision about the environmental assessment and ultimately the funding request.

Please note that FarmTech is proposing to construct the ethanol facility on federal Crown lands under the control of the Oshawa Harbour Commission. While AAFC is responsible for considering the possible environmental effects of the project when deciding whether to provide

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the requested funding, the Department has no authority over land-use decisions related to the Oshawa harbour. The Oshawa Harbour Commission is responsible for determining land use and, accordingly, for deciding from a land-use perspective whether an ethanol facility will be permitted on the harbour lands, with or without ecoABC funding.

Thank you for sharing the views of Oshawa and Durham region residents about the proposed project.

Sincerely,

A handwritten signature in black ink, appearing to read "Gerry Ritz". The signature is fluid and cursive, with a large initial "G" and "R".

Gerry Ritz, PC, MP