



COMMUNITY ENGAGEMENT PLAN

Glen Dhu 2 Wind Farm

April 1, 2022



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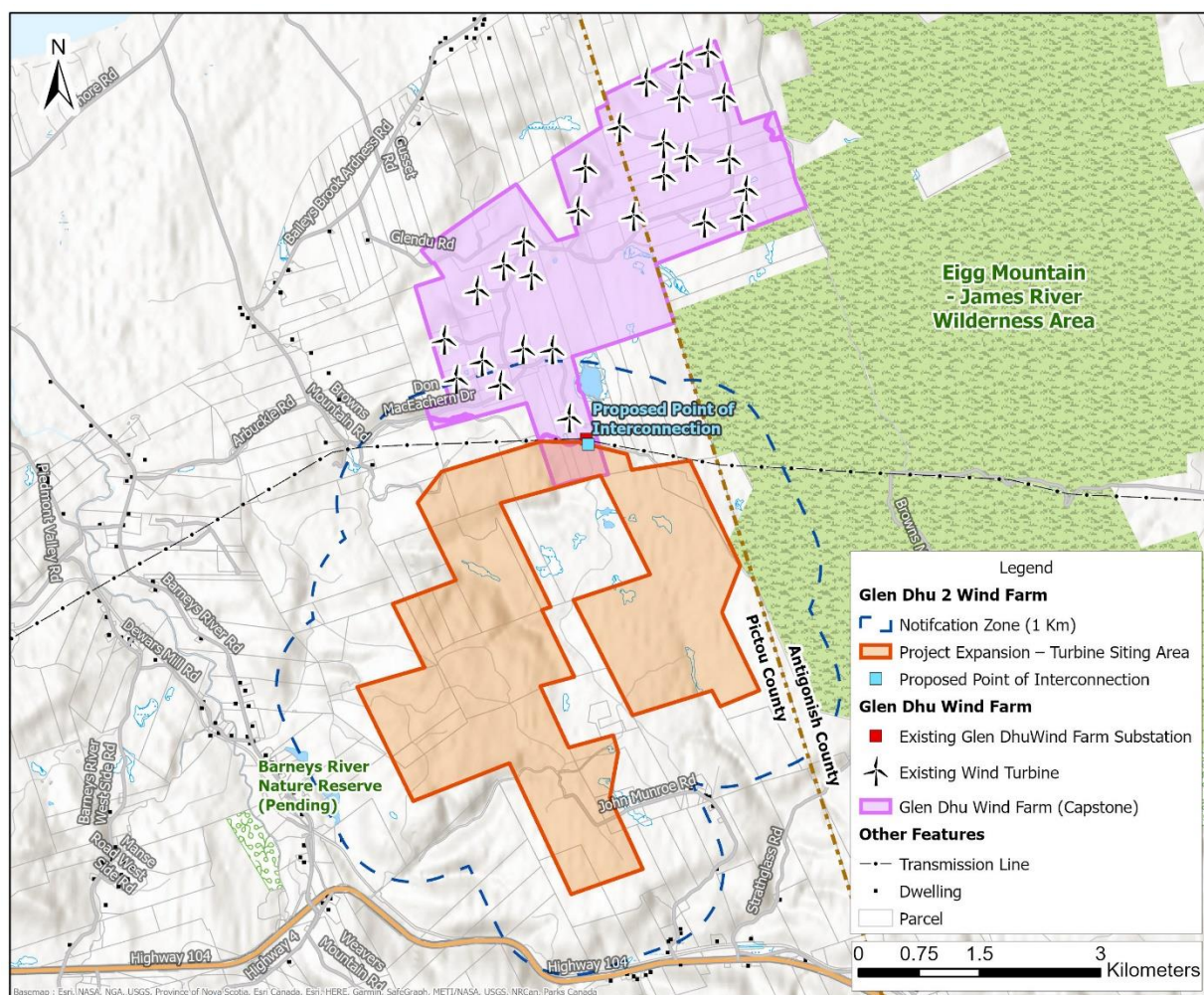
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1. Introduction

Capstone Infrastructure Corporation (“Capstone”) is proposing to develop, build, and operate the Glen Dhu 2 Wind Farm (the “Project”), an expansion to the existing Glen Dhu Wind Farm on the border of the County of Pictou and the County of Antigonish. During construction of the existing windfarm in 2010 over 300 local labourers and tradespeople were employed. The expansion Project, proposed to be located entirely within Pictou County, would add approximately 50-100 MW of power generation and increase the economic benefits to the area. Figure 1 shows the location of the existing Glen Dhu Wind Farm and the proposed location of the expansion wind turbines.

Figure 1: Map of Project Area



The proposed Glen Dhu 2 Wind Farm expansion project would build on the success of our existing Glen Dhu Wind Farm, which has been in operation since 2011 and features 27 turbines with an electricity generation capacity of 62.1 MW. This facility has generated enough dependable and affordable emissions-free energy to power more than 18,000 Nova Scotia homes annually for almost 11 years. During this time, the facility has also contributed nearly \$3.5 million in tax revenue to the local municipalities.

Engagement is a fundamental requirement for the successful planning, construction, and operation of a utility scale wind power facility in the province of Nova Scotia. It is also a best practice for any major infrastructure development to effectively solicit feedback and incorporate any community concerns to achieve the best design and operation of a proposed facility. Capstone is committed to building long term relationships with local stakeholders, rights holders, and landowners so that community benefits are realized, and the project goals are met.

This Community Engagement Plan ("CEP") provides details on Capstone's approach to, and consideration of, all community and stakeholder consultation and related feedback on the proposed Glen Dhu 2 Wind Farm Project. This CEP outlines how stakeholders will be communicated and engaged with, and how feedback will be reviewed, assessed, and applied to Project design and operation plans in the context of the Province of Nova Scotia's ongoing Rate Base Procurement ("RBP") of new renewable energy supply. The Plan includes preliminary engagement activities prior to Capstone's bid submission into the procurement process, as well as the more comprehensive consultation strategy to be undertaken if the Project is selected to move forward in the development process.

When working with community, it is important to establish clear objectives, so all parties understand the purpose and scope of any community engagement process. Capstone has established the following objectives:

- To establish a process and protocol for providing clear and timely project information, as it is developed and becomes available;
- To openly outline a schedule and process for all stakeholders to understand how they will be engaged and on what timeline;
- To develop a strong community relationship built on trust and integrity through frequent, open, and honest communication, using a variety of communication methods;
- To demonstrate a plan to address feedback and concerns and integrate feedback into future engagement plan activities and final project design, wherever possible while documenting a public consultation record; and,
- To ensure that consultation activities meet the requirements for public consultation for the Project proposal process (called the "RBP"), as well as being consistent with Nova Scotia Environment requirements and provincial regulations.

Throughout the planning of the Project, and as a core tenet of this CEP, the goal is to always be respectful of stakeholders' preferred communication methods and ensure all stakeholder feedback is heard, logged, and addressed, through a thorough and robust engagement process.

This CEP lays out Capstone's approach to engagement for the Project, which is broken out into two distinct phases. Phase 1 pertains to consultation activities undertaken by Capstone prior to the bid submission of the Glen Dhu 2 Wind Farm into the RBP process this spring. Phase 2 outlines the more comprehensive stakeholder engagement plan Capstone will undertake if the Project is selected through this RFP process to deliver new renewable energy supply to the province.

Phase 1 Engagement: This phase is initiated at the beginning of the Project bidding process with the Government of Nova Scotia. Phase 1 engagement focuses on activities that support and contribute to the Capstone submission responding to "RBP" issued by

the Province. All submissions responding to the “RBP” will be assessed and scored by the Province to select projects to proceed to the next step. The Phase 1 Engagement will last approximately 3 to 6 months while all proponents, including Capstone, prepare RFP responses and await notification of award from the Province.

Phase 2 Engagement: If the Glen Dhu Wind Project Expansion is successful in bidding into the procurement process and is contracted for delivery of power to the Nova Scotia grid, more comprehensive public engagement and consultation will occur to inform and engage stakeholders on the details of the facility design and operational plans. The second phase will likely take about 6 to 18 months to complete and align with the provincial permitting requirements for the Project, which includes a thorough Environmental Assessment of the proposed Project.

The most important objective of both engagement phases is to ensure that any stakeholder who may potentially be affected by the Project understands the full scope and the regulatory and approval process, as well as the potential impacts. Open channels of communication and opportunities for feedback will be provided in both phases of engagement, and appropriate mitigations will be evaluated and implemented, as practical. Feedback from stakeholders will be assessed on an ongoing basis to guide and improve the Project’s development and will be addressed as received, regardless of the engagement phase.

Although the expansion is important at the provincial level, the Project will also provide direct and indirect economic benefits to the local community including:

- Direct employment for local contractors and labourers
- Sourcing of local construction materials whenever possible (gravel, concrete, etc.)
- Long-term employment opportunities during operation for site manager, technicians, as well as secondary services for site management and maintenance
- Municipal revenue in the form of taxes, which will indirectly support the municipal budget and may reduce or stabilize taxes for all ratepayers
- Landowner land payments and royalties, which is typically reinvested back into local businesses and the broader community; and,
- Identification and implementation of potential community benefit projects

3.2 Stakeholder Engagement Principles

The stakeholder engagement process undertaken for the Project will apply the following principles:

- **Varied communication:** project-specific information will be delivered through a combination of one-on-one meetings, phone, website, virtual open houses, email and letter correspondence, as well as public information sessions and round table discussions with stakeholder groups, as needed.
- **Two-way dialogue:** stakeholders will have the opportunity to ask questions or raise concerns about the project in a dedicated one-on-one environment. This may be over the phone, virtually or through in person meetings. Communicating in this way allows both the stakeholder and Proponent to discuss and address issues directly, and both parties are committed to working together to find necessary mitigations.

- **Focused communication:** appropriate language and terminology will be used in all written, electronic and website materials so that stakeholders can clearly understand project details, expected environmental, and socio-economic benefits, and potential impacts, as well as knowing where and how to seek out follow up information or ask questions.
- **Timely consultation:** Consultation activities will be appropriately scheduled to avoid sensitive time periods of its stakeholder groups and understanding that there may need to be scheduling flexibility to adapt to local communities or public health directives and regular statutory holidays.
- **Transparency:** all consultation and engagement activities will be documented and summaries of issues and follow up questions will be made public via a project-specific website. A consultation log will be maintained which will document all forms of communication and outreach with its stakeholder groups including the date, time and type, and any feedback, comments, objections, or concerns raised.

3.3 The Proponent

Capstone is a leading Canadian independent power producer engaged in the development, construction, financing, and operations and maintenance of utility scale renewable power facilities. At Capstone, it is our mission to drive the energy transition forward through creative thinking, strong partnerships, and a commitment to quality and integrity in how we do business. Founded in 2004, Capstone currently owns and operates 30 facilities across Canada with a total installed capacity of 775 megawatts, including wind, solar, hydro, biomass, and natural gas cogeneration plants.

Capstone is the largest renewable power producer operating in Nova Scotia and has been active in the province's renewable energy market for 15 years. We currently own and operate four wind farms with long term Power Purchase Agreements (PPAs) with Nova Scotia Power Inc. ("NSPI") and we self-perform all operations and maintenance (O&M) work at our facilities, instead of contracting third parties to provide these services.

As long-term owner/operators of our projects, this allows us to ensure our facilities meet or exceed the highest operational and HSE standards so our turbines are always available when the wind blows, and we can extend the life of our projects as much as possible.

Our existing Glen Dhu Wind Farm is already a positive force in the local economy by providing employment and purchasing local goods and services. The expansion Project will build on the significant economic benefits to the Counties of Antigonish and Pictou, which to date totals nearly \$3.5 million in local taxes.

Capstone is committed to meaningful stakeholder consultation and robust record keeping during the consultation process throughout the entire lifecycle of the Project. Questions and feedback are always welcome from anyone interested in the Project. Any interested party is encouraged to make contact directly with the Project team with any questions or comments, who can be reached by phone or email at any time via the contact info provided below:

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3.4 Process Overview

Capstone's proposed Glen Dhu 2 Wind Farm will build on the success of our existing 62.1 MW Glen Dhu Wind Farm, which has been operating in Pictou County since 2009. The proposed expansion will support Nova Scotia's goal of having 80% of its energy coming from a renewable source by 2030. To achieve this ambitious goal, the Province announced a Request for Proposals (RFP) process in 2021 to secure an additional 1,100 MWh of new renewable energy supply. An independent third party is facilitating the competitive "Nova Scotia RBP" process on behalf of the Province.

The RBP process is seeking projects, such as the Glen Dhu Wind Farm expansion, that will produce renewable energy for all Nova Scotians. Capstone notified the Province of its intention to bid and has been working for the last several months to prepare a comprehensive bid that includes robust community engagement and meets the many other requirements of the bid process. Capstone will submit its bid by the mid May 2022 deadline and a decision is expected in mid August. If Capstone is successful, then a Phase 1 Environmental Assessment is required which involves detailed project planning and additional analysis. This phase will also include a comprehensive community engagement process.

3.5 Stakeholder Identification Approach

Utility-scale energy projects always have some level of impact and interest with local stakeholders. Therefore, it is important to identify the relevant stakeholders early in the process and assess and mitigate potential Project impacts. That said, the Project will build on the engagement success of the existing Glen Dhu Wind Farm, and the community and stakeholder relationships that have already been developed.

A thorough list of key stakeholders and interest groups (summarized below) has been identified for the Project. Any interested party who is not presently on the stakeholder list for the Project, and wishes to be added to the stakeholder list, will be added once that party is identified. In this way, the Project stakeholder list is not static, rather will be updated and revised throughout the consultation process.

The following list identifies individuals, government entities, non-government entities, and any other group who are believed to be stakeholders in the Project:

- Occupants, residents, and landowners within 1000 meters of the Project Boundary
- The host municipality (or municipalities, as the case may be);

- Relevant provincial departments, federal governmental departments and agencies, such as Environment and Climate Change Canada, the Royal Canadian Mounted Police, Transport Canada, and NAV CANADA;
- Non-governmental organizations (NGOs), local business groups, landowner groups, and other interested parties who may have interest in the Project area;
- Any other stakeholder or interested party who wants to follow and be involved in the development of the Project.

In addition to these groups and individuals, the Proponent will work with municipal and local stakeholders to identify any other interested parties who may be impacted by the Project and wish to receive project updates and provide feedback.

To understand the potential stakeholders for this project, Capstone completed a comprehensive desktop stakeholder mapping exercise. The purpose of the mapping is to identify groups and individuals who may be interested in the project or who may be potentially impacted.

For Glen Dhu 2 Wind farm expansion, this includes:

• Landowners within 1000 meters of the Project Area
• The Municipality of Pictou
• Landowner partners
• Provincial and Federal Departments, as appropriate

To confirm the desktop stakeholder mapping and to identify any issues that Capstone should be aware of as it begins implementing the CEP, local municipal units were contacted to seek their input on any other potential stakeholders for this project that the desk top exercise may have missed.

3.6 Managing Engagement Data

Capstone, through all phases, is committed to listening to stakeholders to better understand issues and concerns. Section 3 of this CEP identifies the different mechanisms that will be used to solicit feedback and identify potential impacts. To ensure that the feedback that Capstone receives is considered and integrated, as appropriate, into the Project, a Project Feedback log will be maintained.

The log will identify and track with whom Capstone has engaged and when, the main issues discussed and track any follow up actions. Issues will be grouped together into themes so that Capstone can adjust the Project as necessary to consider potential mitigations.

The log will also help identify topic areas where Capstone may need to provide additional information and to plan next steps. These topics may translate into additional FAQ's being developed, for example.

The log will be submitted as part of the RFP response to the RBP, and ultimately to the Nova Scotia Department of Environment and Climate Change as part of the Environmental Assessment. This assures that the comments provided by stakeholders to Capstone will not

just be for Capstone's use and considerations but are summarized and shared with government decision makers and the broader community.

Any impacts that may arise or that are identified by stakeholders will be addressed through adaptive management as the Project matures and evolves. Adaptive management is a critical component that allows Capstone projects to continuously improve and respond to stakeholders' feedback and changing situations within the community.

2. Engagement Process & Schedules

The Project engagement will span two years as the Project progresses through the contracting and regulatory cycles. The overall engagement timeline and schedule is presented in Figure 2: Stakeholder Engagement Timeline.

If the Project is successful in obtaining a contract with the Nova Scotia government under the Rate Base Procurement process, then there will be two distinct phases for engagement (See Figure 3 - Engagement Phases). The First Phase aligns with the submission of the RFP into the RBP managed by the province.

The Second Phase is engagement that will occur after the Project contracting process closes, and Capstone, if successful, receives confirmation of the awarded of a contract. In this scenario, engagement will occur as part of the Environmental Assessment process required with provincial regulators and will include further project assessments before Construction and Commissioning can occur.

Figure 2: Stakeholder Engagement Timeline

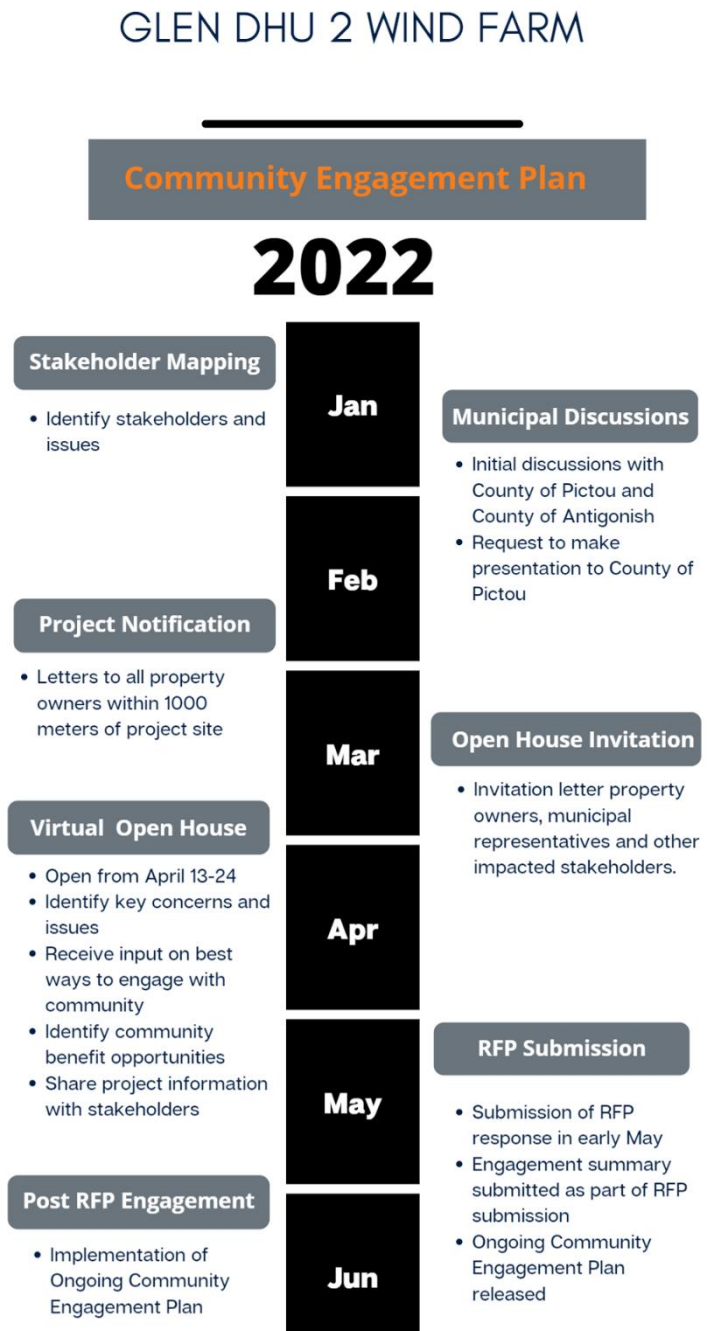


Figure 3 - Engagement Phases



3. Phase 1 Engagement Activities

3.1 Initial Project Notification

The Project development has been active, on and off, over several years. In late 2021 and early 2022, in preparation for the Rate Base Procurement process, preliminary feedback on the Project was received from different stakeholders. These ad hoc discussions collectively form the foundation of this CEP work and the future engagement. This information, from a variety of sources and different times, form the first entries in the Project Feedback Log. This preliminary feedback also guided the first design iterations of the Project, prior to the initiation of this more formal CEP process.

Capstone is seeking to engage with diverse members of the public and will provide notification to:

- All landowners within 1000 metres of the Project Area.
- Staff and elected officials from the Municipality of Pictou.

- The local Member of Parliament and Member of the Legislative Assembly
- Other local groups and individuals as identified
- Landowner partners

To create additional opportunities for feedback and to further identify stakeholder groups who should be notified of the project, Capstone will seek opportunities to make a presentation to the Municipality of Pictou. This presentation will provide a high-level overview of the project, including the project area, potential benefits, access points and a summary of this CEP.

Capstone will build on existing relationships that have occurred from the operation of the existing Glen Dhu Wind Farm and seek out new relationships within the community. The initial notification will lay the foundation for the establishment or continuation of these important relationships with stakeholders. The Initial Project notification to all property owners within 1000 meters of the project area will consist of a two-page newsletter with a map of the Project area, details on the proposed number of turbines and contact information for a local engagement representative and a lead contact from Capstone. It will also provide notice of an upcoming virtual open house.

The notification will encourage stakeholders to contact Capstone with their questions or comments. The preliminary feedback will help identify areas where Capstone will need to provide additional information during the virtual open house and prepare for discussions on topics of interest to the public.

The public will have access to a Project website (<https://www.capstoneinfrastructure.com/our-businesses/in-development/glen-dhu-2-wind-farm>) that will contain information on the project, provide general project information, maps and copies of all public notifications and documents. Information will continually be added to this website to serve as an up-to-date reference for the public.

In April and May 2022, Capstone will be adding more documents to this website, including this CEP, so that the public can understand the project better and see Capstone's approach to the Glen Dhu Wind Farm expansion. It is also through the website that stakeholders can learn more about Capstone Infrastructure and its other projects.

3.7 Invitation to Virtual Open House & Feedback Form

A second mailout package will be sent to all stakeholders in early April, roughly a month after the initial notification package is sent out. The second package will invite people to participate in a virtual open house for the Project. The invitation will also include a paid return envelope and feedback form so that those without internet service or who prefer to participate non- virtually can provide feedback or ask questions. The Virtual Open House will provide opportunities for those who are uncomfortable with in person events due the COVID-19 pandemic a chance to participate in a more interactive way.

The input received from the feedback forms will be included in the stakeholder log and reviewed carefully by the Capstone team. Questions will be responded to either through the FAQ's that are being developed or by direct communication with the individual.

3.8 Frequently Asked Questions Information

Frequently asked questions (FAQs) provide an easy reference for the public to quickly have questions answered. Capstone, with its considerable experience with its existing projects in Nova Scotia, has a good idea of the general questions that the public often has regarding wind farms, and will develop a preliminary list of FAQs that will be shared with the public on the website and with the local municipalities. This FAQ list will be updated to respond to feedback and questions received from the public throughout the month of April.

Main topics for FAQ include:

- Environmental Impacts
- Decommissioning
- Benefits of Wind Farms
- Impact on property values
- others as identified
- Noise Pollution and Shadow Flicker
- Visual Impacts
- Employment and Taxation
- Project timing and size

3.9 Virtual Open House

Capstone is using Howspace, an innovative and interactive platform, to host a Virtual Open House on the project from April 13-24, 2022. This technology allows for real-time conversations, polling and surveys, information sharing in different formats (visual, audio, live-streaming) as well as providing a clear process for stakeholders to provide feedback.

The Virtual Open House content will include:

- An information presentation for people to view at a time of their choosing;
- A recorded representative speaking about the presentation materials, the Proponent and other aspects of the Project and process;
- A live and interactive session with the Capstone team for stakeholders to learn about the project and ask questions;
- Clear guidance on how to provide questions and detailed comments immediately to the Project team and a place for the Project team to quickly respond;
- Comments will be responded to by Capstone representatives, if and as necessary.

Furthermore, the open house may also include the potential for 'break-out' conversation groups, opportunities for 1-on-1 appointments, polls and surveys, as needed during the course of the engagement work. Specifically, Capstone will use the Virtual Open House to:

- Provide an opportunity for the public to learn more about the Proponent;
- Allow the public to better understand the importance and value of renewable energy generation;
- Identify short-term and long-term concerns;
- Identify and answer the questions of the public relating to the Project;
- Seek input into a long-term engagement plan for the Project;
- Encompass feedback on all phases of the Project including initial design, detailed permitting, construction and operations; and

- Identify community benefit projects that could be explored and supported by the Project.

The Virtual Open House will be open from April 13-24, 2022 at www.glendhu2windfarm.com/openhouse and the live session on April 19, 2022 from 6-8pm. Please refer to Figure 2: Stakeholder Engagement Timeline to see how this event fits into the overall Phase 1 Engagement schedule.

3.10 Engagement Summary

At the end of the Phase 1 engagement work, an Engagement Summary will be prepared for the Project and posted to the Project website. This summary document will summarize all engagement work completed at that point and will highlight and provide details on the following:

- Outline the work done to engage with the stakeholders;
- Clearly state the feedback opportunities provided;
- List all feedback received by topic; and
- Outline actions and ways in which the feedback was addressed, applied to the Project planning, or mitigated to the extent possible.

This generalized summary of the Phase 1 Engagement work feedback will be posted on the Capstone website, and will be updated and reposted as needed, as activities and engagement continue during Project development.

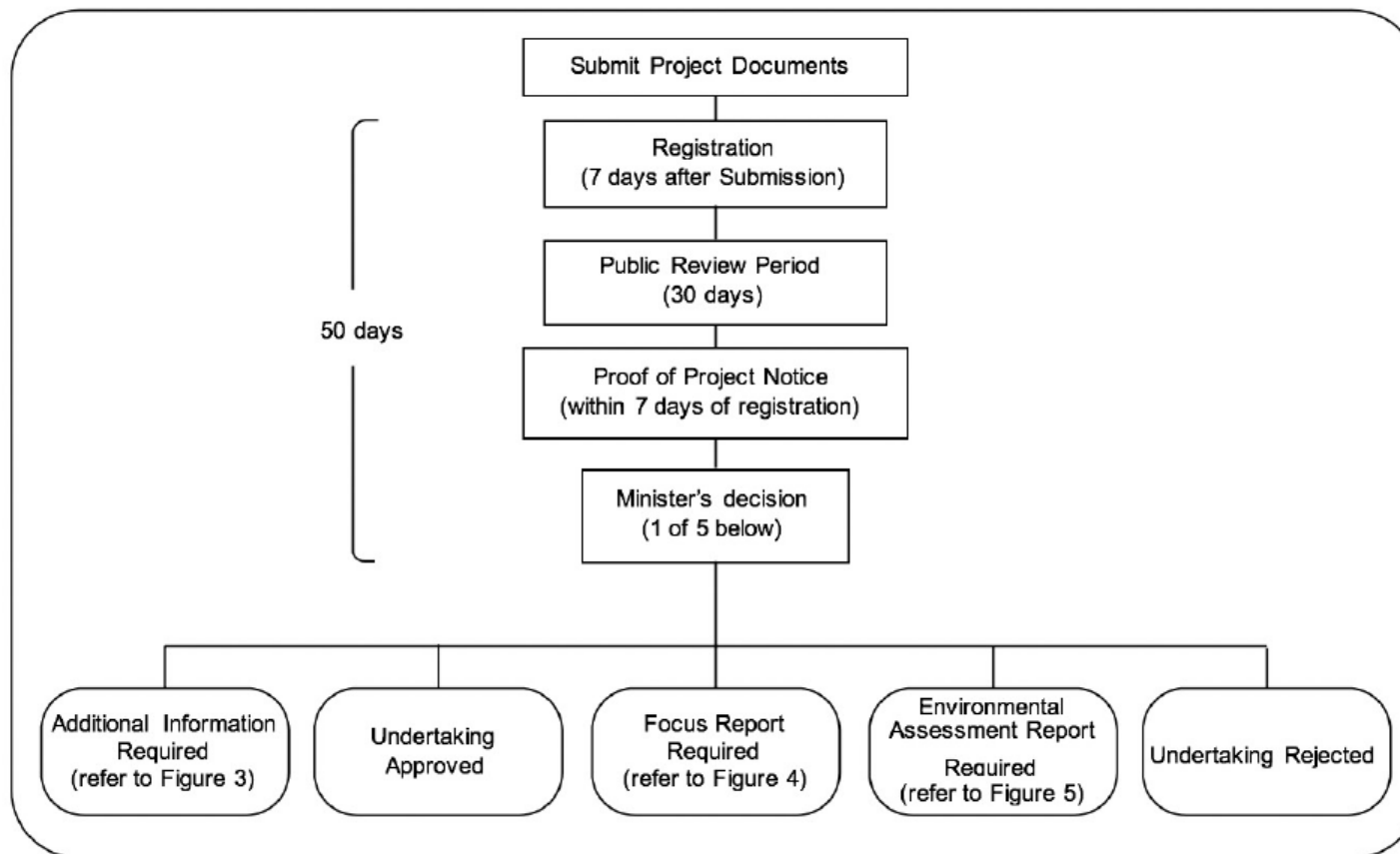
4. Phase 2 - Environmental Assessment Engagement

The Phase 2 engagement planning will occur after the Project has been announced as a winner under the government contracting process for the Project. For clarity, if the Project is not awarded a contract, then the Project will go on hold indefinitely, and Capstone will likely need to reinitiate the Phase 1 engagement work if and when another contracting opportunity arises.

If the Project is awarded a contract, and the Proponent secures and executes the contract for the delivery of electricity to the Nova Scotia grid, at a certain size (capacity), then this will trigger further engagement and permitting work within the review and approval process of the province.

In this scenario, the Project will need a variety of approvals and permits, which includes successfully completing a Class 1 (EA1) undertaking through Nova Scotia Environment and Climate Change. Figure 3 outlines the general process for a Class 1 Undertaking, which includes requirements for public engagement as part of the Registration Document and a time for public submissions during the EA.

Figure 4 - Environmental Assessment Process from [A Citizen's Guide to Environmental Assessments](#)



To support the Environmental Assessment, the Proponent will begin to collect environmental data and develop more detailed project information to share with the public.

Engagement activities during this phase will be customized based on the feedback we hear from stakeholders during Phase 1 activities. One of the main questions we will be asking during Phase 1 is how best to engage with stakeholders and what kinds of information do you want to receive.

The Proponent will continue to update and revise the stakeholder contact list and engagement zone, depending on the size and spatial extent of the Project, after the contract award process. In this iterative way, the Proponent will continue to build strong relationships with neighbours during this next phase of engagement.

In the second phase of engagement, many more Project details will be provided. Some or all the following actions will be taken for the Project, and will be shared with the public at appropriate times, as the Project continues to be developed:

- Field work and survey results for impacted and endangered wildlife and wildlife habitat in and around the Project, and as summarized in the provincial environmental assessment reporting;
- Technical assessments for noise emissions and shadow flicker impacts as a result of the Project;
- Optional visual simulations for the Project (as may be required); and
- Detailed engineering and design plans including roads, electrical wires, turbine foundations, substation placement, operations and maintenance buildings and temporary disturbance areas, etc.

This phase of engagement provides more detail, and therefore takes more time to complete. Because of the seasonality of various studies (wildlife and site engineering studies), information will not be available all at once, so there will be engagement activities spanning over several month so that Project development work can be shared, making it easier for the public to absorb and comment on. This will create an iterative feedback loop as stakeholders can engage and provide feedback over a longer period. This phase of engagement will be much longer than the initial Phase 1 engagement work and will likely take over a year to complete, depending on the survey and assessment results.

The detailed engagement plan and schedule for Phase 2 is not included in this CEP as it is important for community members and stakeholders to provide suggestions before creating and implementing the Phase 2 engagement plan. However, there are many standard engagement activities that are often employed to interact with stakeholders. These standard engagement activities, along with the community specific engagement preferences will inform the Phase 2 engagement plan.

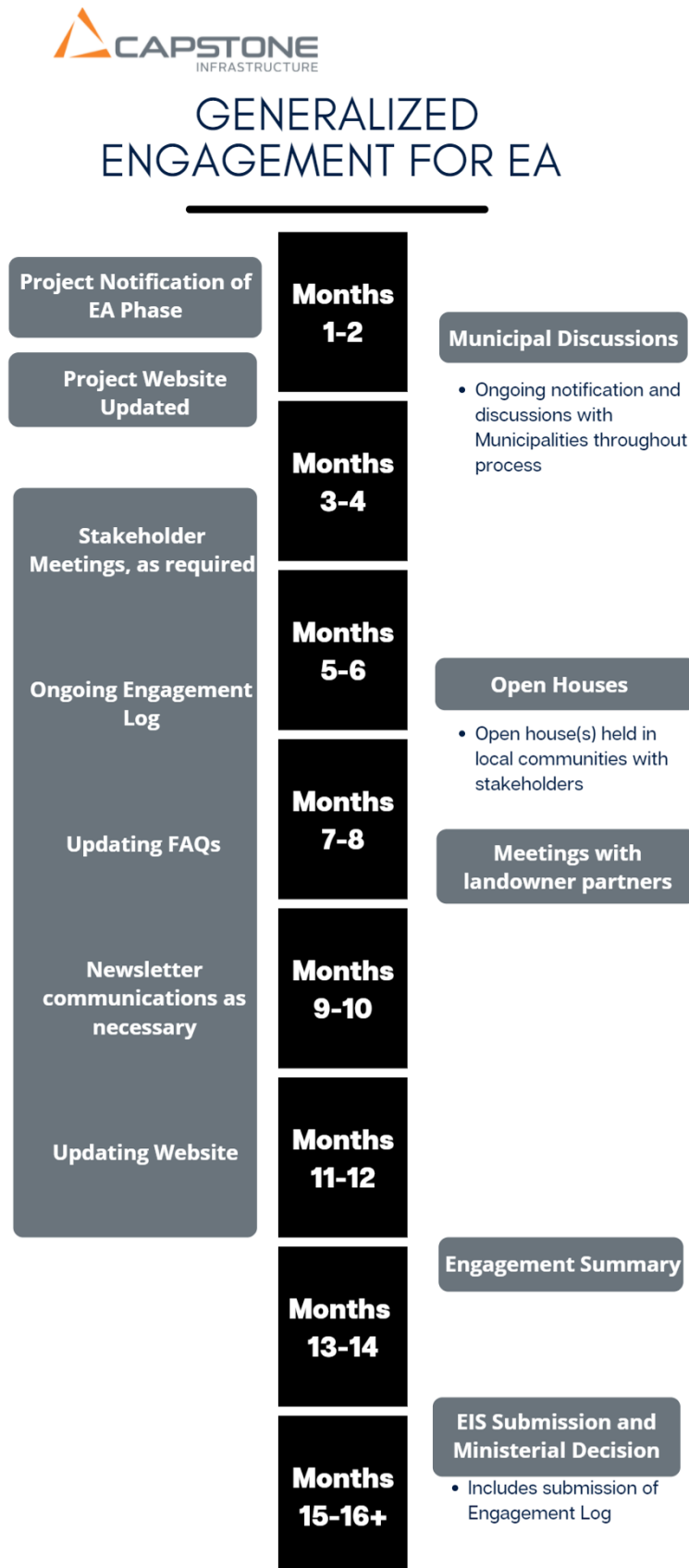
Standard engagement activities may include:

- Public and municipal communications and presentations
- In person or virtual open house events
- Newsletter and information package updates by mail
- Face to face or virtual meetings with community groups (as required)

- Meetings with landowner partners
- Use of ongoing website for updates and Project information
- FAQ's
- Ongoing stakeholder mapping assessment

A standard (conceptual) schedule for these activities is provided in Figure 4 below. It is noted that the engagement process evolves as the Project evolves and some of the proposed activities and scheduling outlined herein may change to suit the needs of stakeholders and the Proponent as the Project advances through the regulatory process. In this way, this CEP outlines an initial strategy and plan for engagement, but may be adapted and modified as the process unfolds, and will be subject to change from time to time.

Figure 5: Generalized Engagement for Environmental Assessment



5. Conclusion

This Community Engagement Plan outlines the process and timing for engagement activities for the Glen Dhu 2 Wind Power Project proposed in Cumberland County, Nova Scotia. This CEP outlines how the engagement work will be conducted for the Project development, and in particular how two different phases of engagement will be implemented.

The first phase of engagement will align with the requirements of the Rate Base Procurement process and will provide clarity to all stakeholders about the Proponent, the Project location, timing and potential outcomes of the contracting and procurement process with the government. If the Project is successful in the contract process, a second phase of engagement will be initiated soon afterwards which will include more detailed site design, engineering, wildlife and technical assessment details regarding the Project.

The overall engagement process will likely take over 12 months and is an organic and iterative process which will provide stakeholders an opportunity to provide input and feedback and receive responses on questions and concerns about the Project. In this way, the CEP will guide an engagement process for the Project that will ultimately ensure that clear information about the Project was provided to all stakeholders and that the Project will be built in the most transparent and engaged manner with the host community.