



John W. Livey, F.C.I.P.
Chief Administrative Officer

April 7, 2006

Federation of Canadian Municipalities,
Green Municipal Fund,
Centre for Sustainable Community Development,
24 Clarence Street,
Ottawa, Ontario K1N 5P3

Attention: Mr. Jas Michalski

Dear Mr. Michalski,

Subject: GMF Energy RFP
Markham Centre District Energy System – 2007 Capital Plan
Application Number: GMF 9232

This letter confirms that the Town of Markham fully supports Markham District Energy's proposal for funding from the Green Municipal Funds in support of its 2007 Capital Plan.

Please be further advised that this matter has been added to Council's Committee of the Whole agenda on April 11, 2006.

Markham District Energy Inc. (MDE) is wholly owned by Markham Enterprises Corporation (MEC), a holding company owned by the Town of Markham. MDE's Board of Directors includes Council representation and MDE's Treasurer is Andy Taylor, the Town's Commissioner of Corporate Services.

Council is highly supportive of its district energy investment and understands the environmental, social and economic benefits. Markham also understands that district energy systems are a long term investment and it is necessary to build extensive infrastructure in advance of building connections and in advance of energy revenues.

For this reason, the ongoing support of the Green Municipal Fund in these early years, and the unique features of GMF loan and grant financing, continues to be very strategic in assisting Markham achieve its unique vision of connecting its entire new downtown development to this world class district energy system.

Yours sincerely,

John W. Livey, F.C.I.P.
Chief Administrative Officer