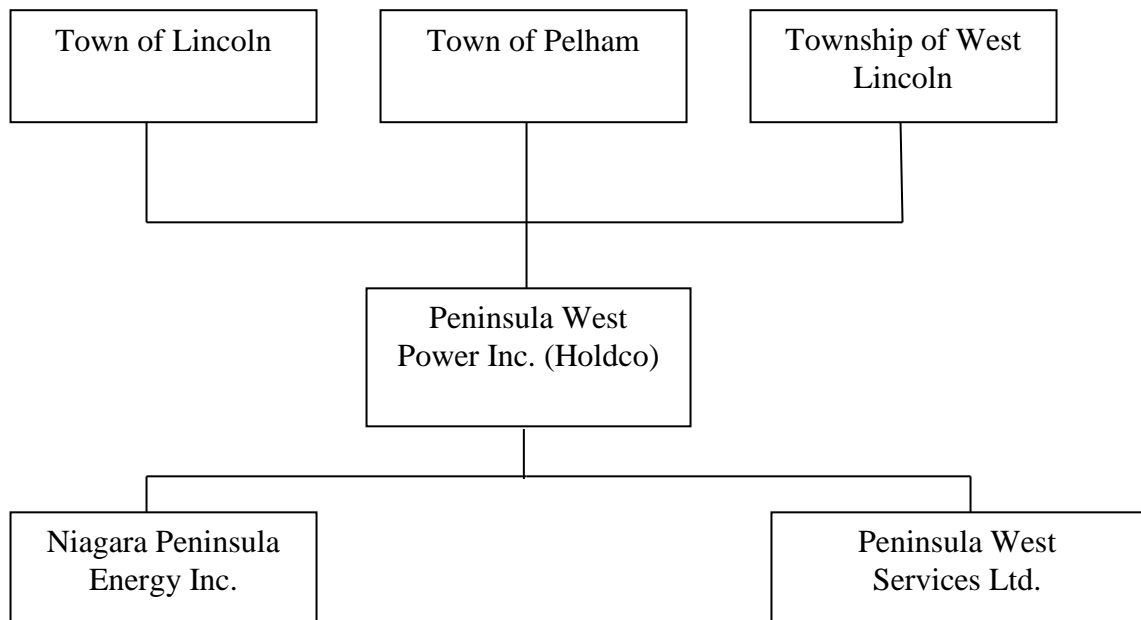


Shareholders



The Town of Lincoln, the Town of Pelham, and the Township of West Lincoln are the sole shareholders of Peninsula West Power Inc. (PWPI), the Holding Company. Of the one hundred shares issued, Lincoln owns fifty-nine, West Lincoln twenty-four and Pelham seventeen.

In accordance with the Unanimous Shareholders Agreement, executed by the respective Municipalities on October 2, 2000 and amended in December, 2007, each shareholder appoints two (2) directors to sit on the Holding Company board.

The Holding Company is the sole shareholder of Peninsula West Services Ltd. and provides management services to this affiliate for a fee. The president of PWPI is the sole director of the services company which provides rentals of electric water heaters and sentinel lights and administers the maintenance of streetlights for its municipal owners. All services are contracted.

The Holding Company owns two hundred fifty-five shares of the one thousand shares issued by Niagara Peninsula Energy Inc., an electricity distribution company, whose service territory includes Niagara Falls, Lincoln, West Lincoln, and the former village of Fonthill in Pelham. Seven hundred forty-five shares are owned by Niagara Falls Hydro Holding Corporation.

The Holding Company appoints four directors to the board of Niagara Peninsula Energy.