

WINDWARD

THE VOICE OF THE BAY WINDFIELD INC.

Volume 2, #1

May, 2007



The Bay Wind Field Inc. (BAY WIND) is an independent, community owned corporation which has been raising capital through the Community Economic Development Investment Fund (CEDIF) program in Nova Scotia. The CEDIF program affords Nova Scotian taxpayers attractive incentives for investing in Nova Scotia companies.

Bay Wind's primary investment focus is in the area of wind power exploration and development. Bay Wind is also analyzing emerging business opportunities related to carbon emissions reduction, tidal and solar power, hydrogen and renewable co-generation.

The aim of Bay Wind is to invest monies raised, in companies conducting business in the renewable energy sector.



Construction was completed in Dec.2006

At Last ! Digby Wind Turbine Installed

The Bay Wind Field Inc. (Bay Wind) officially announced the installation of Digby County's first independently-owned commercial wind turbine at Mount Pleasant.

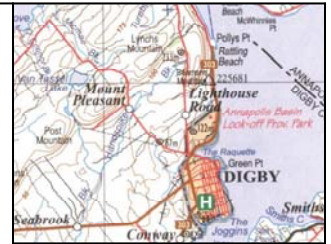
Construction and commissioning of the Enercon E-48 wind turbine was completed in December. The turbine has a name plate capacity of 800 kw, has a hub height of 50 meters and a rotar diameter of 48 meters. The energy generated from the turbine is expected to provide enough power for approximately 300-350 homes. Power generated from the turbine will be sold to Nova Scotia Power. Inc. under a long term Power purchase agreement, and will be largely consumed within the areas around the installation

"This is a real benchmark for us," says Bob Robinson, President of The Bay Wind Field Inc., "Over the last five years, we have been actively engaged in the community soliciting support for wind power in the region. We have nearly 200 shareholders to date who strongly believe in the concept of community ownership and now they will be able to see the tangible results of our collective efforts."

Bay Wind has been working with Halifax based wind energy developer Renewable Energy Services Ltd.(RESL) who is the owner /operator of the turbine on the project for over 5 years.

"Today marks an historic event for RESL and The Bay Wind Field. We have been collecting data in the community for nearly six years and have maintained the support of the community," says Larry LeBlanc, CEO of RESL. "Our current data shows good potential for this site, and we look forward to continuing to erect more turbines across the province."

This project is proof that the people of Nova Scotia believe in the development of renewable energy. The investors in The Bay Wind Field have eagerly anticipated this development," said Ralph Tedesco, President and Chief Executive Officer for Nova Scotia Power. "We look forward to working with the developer, RESL, and its various shareholders for further wind energy development. Our customers have told us they want more power from renewable sources and we are listening and acting."



Bay Wind Sponsors 7 Time Envirothon Winner - Digby High School

The Nova Scotia ENVIROTHON is a hands-on environmental education program of the Nova Scotia Forestry Association. Envirothon 2007 will involve students in researching Alternative Renewable Energy in their home community and presenting the results to a panel of experts. Winners will represent their province in the Canon Envirothon International competition. Digby Regional High School teams have participated in Envirothon since 1994, and have placed first in Nova Scotia seven times. Here's hoping that their renewable energy project. will be number eight !

President's Message

When we look back over our the past year, it seems that it has been the greenest in decades. Green energy, green garbage disposal, green fuels, environmentally friendly products have all become the safe subject of myriad sales promotions and desired lifestyles.

Public awareness of the need to develop sustainable forms of renewable energy is reaching new highs, with public figures and politicians alike crowding onto the environmental awareness and climate change bandwagon.

From an investment point of view, it is a great time to be invested in renewable energy. The wind energy industry in Canada has topped the Billion dollar mark, and is now being taken seriously by decision makers. New developments in solar energy, tidal power , hydrogen and geo-thermal technologies are all poised for significant growth, and business is flourishing where rising energy demands are met with political will.

Nova Scotia is resource rich. It is a critical time for policy makers at all levels of the political spectrum to understand just what renewable energy could mean to this province. Business understands. The public understands. We need a progressive, collaborative strategy for developing this sector and we need it implemented soon. Your voice is more important than ever, so make sure it is heard.

Over the last year, Bay Wind's investment strategy has been to continue to focus on wind power, and through it's investment in RESL, we now own a percentage of all of RESL's turbines located throughout Nova Scotia. Naturally, we are very pleased to finally see the wind turbine erected and producing revenue at the Digby site.

In the coming year, Bay Wind continues to search out and evaluate investments in other renewable energy technologies and has identified a number of such opportunities.

Tidal power looks promising over the longer term. Like wind, we have the resource. A number of studies have shown that the Bay of Fundy is one of the top spots on the planet for producing tidal power. Nova Scotia Power has made a large commitment to the development of a tidal test project, but a working installation could be 5- 10 years out. Therefore, from an investment perspective, we feel that it remains early to be investing in tidal when we can see safer and more immediate returns from wind.

Solar energy is rapidly becoming a mainstream renewable. With a major technological shift taking place, and oil companies such as Shell and BP investing heavily in solar, Bay Wind feels that this is a sector to watch.

Opportunities in renewables such as biogas generated at landfill sites, and methane generation are also becoming meaningful components in the renewable business, and the Bay continues to monitor opportunities in this area.

Investments held Bay Wind in RESL and 4G are progressing well. RESL continues to move it's exploration program forward with 8 turbines now producing revenue. The international carbon trading market is poised for explosive growth which bodes well for 4G's position as a broker in carbon credits.

Bay Wind has to date and will continue to maintain it's enviable place as a prominent CEDIF in the province , both in terms of venture capital investment and as a community leader in renewable energy development . As a shareholder, we hope that you share our excitement and pride in our achievements to date. It's not easy being green, but our time has come, and we look forward to a prosperous year ahead.

Bob Robinson
 President
 The Bay Wind Field Inc.



Wind Power continues to be investment focus for Bay Wind



The Bay of Fundy has world class potential for Tidal Power, but returns on investment could be far off.



The Solar industry has grown to \$10 Billion / year, and is growing at 30% per year. Bay Wind is closely monitoring this sector for investment opportunities.

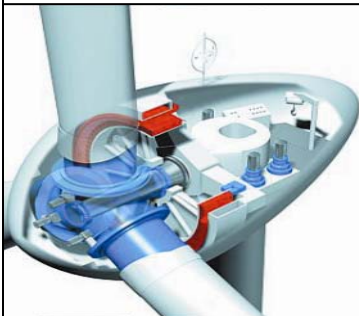
DID YOU KNOW ?

- The average household consumes 10,000 kWh of electricity per year and generates over 11,200 lbs. of air pollutants each year !
- Power generation is responsible for 63% of sulfur dioxide, 22% of nitrogen oxides, and 37% of mercury released into the environment !

Another Record Year for Wind Energy Development in Canada

Canada's wind energy sector more than doubled in 2006 with the installed capacity now totaling 1459 MW, and it looks as if things aren't slowing down any time soon. Canada's wind power capacity is expected to grow nearly tenfold by 2015, representing \$18 billion in investment and ranking the country among the top five or six markets in the world. "In the past two years the Canadian wind power market has evolved from relative obscurity to become one of the world's largest and fastest growing wind power markets," says Emerging Energy senior analyst Joshua Magee.

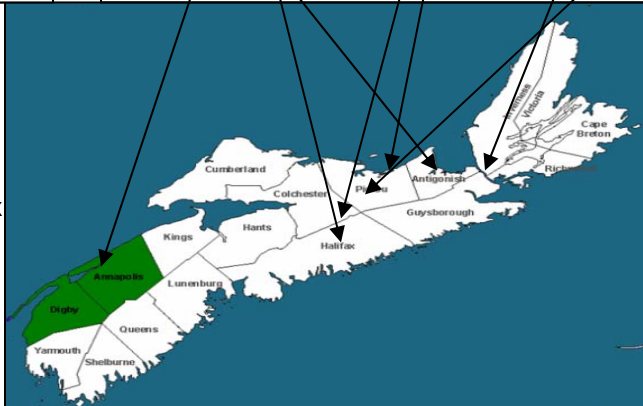
The tremendous growth in 2006 shows that decision makers are starting to take seriously the benefits that wind energy development can bring. However, we must not forget that wind energy is a new technology that needs robust policy frameworks and political commitment to fulfill its full potential," said Arthouros Zervos, Chairman of Global Wind Energy Council.



RESL Now Has 8 Wind Turbines Installed

RESL has been continuing its exploration program in Nova Scotia, and now has 8 wind turbines fully commissioned and producing 5.5Mw of power at 7 sites throughout the Province.

- Goodwood
- Brookfield
- Mt Fitzpatrick .1&2
- River John
- Marshland
- Point Tupper
- Digby



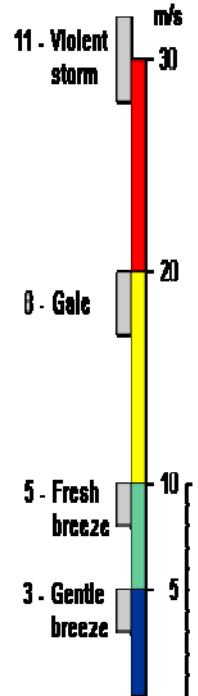
Digby Turbine Statistics

Enercon E-48
 800 Kw
 Direct Drive- no gearbox
 Hub height – 50 Meters
 Rotor dia. - 48 Meters
 Location:
 Mt. Pleasnt
 Digby Watershed

Wind Speed Conversions

When assessing sites for suitability, wind data is compiled and measured in Meters / Second. (m/s)
 Here is a quick conversion chart:

mph	10	22	67
kph	16	36	108
m/s	4	10	30



Wind Power for Hydrogen Generation

How do you produce power from wind turbines when the wind doesn't blow? The simple answer is you don't. This is one the main issues to consider when planning grid-connected wind power plants. The energy produced when the wind blows is connected to the grid, and any excess is wasted. One of the solutions for this is to use the excess power to produce hydrogen which can be then turned into a fuel cell and used on demand. There are a number of Wind-Hydrogen test projects underway in PEI and Newfoundland, and this project at Exhibition Place in Toronto uses wind power to produce Hydrogen for a refueling station for fuel cell vehicles.



Exhibition Place Refueling Station

This facility uses an electrolyser to produce up to 65 kg/day of fuel cell-grade hydrogen for vehicle refueling. Power for the hydrolyser comes from the adjacent wind turbine. The facility includes compression storage and dispensing equipment at a site that is accessible to vehicle fleets and on display to the public.

Links:

- www.canwea.ca
- www.cansia.ca
- www.pembina.org
- www.baywind.ns.ca
- www.weican.ca

Annapolis Royal to Conduct Green Energy Study

The town of Annapolis Royal is preparing to conduct an analysis of renewable energy options for its electricity supply. Nova Scotia Power is already generating 2 Mw of Tidal power at its site in Annapolis Royal, and there is good wind potential nearby. The Town hopes to secure funding for the study within calendar year 2007.



Note to Shareholders with Accounts at Concentra

Any shareholders who are holding self-directed RRSPs at Concentra, note that Concentra will now be handling administrative duties for the annual fees. All payments for annual fees will now be paid directly to Concentra rather than to The Bay Wind Field.

Annual fees are currently \$125.00 + GST

Concentra contact info: Telephone: 1-800-788-6311 www.concentrafinancial.ca

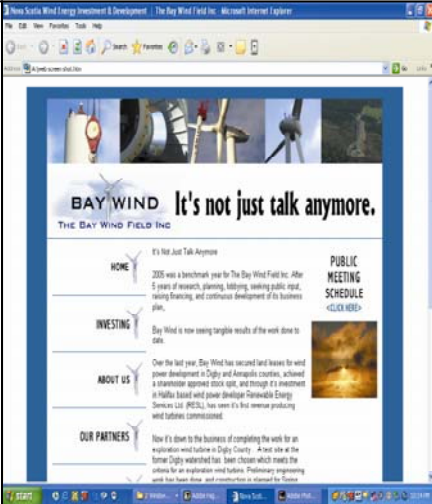
Further Tax Credits for CEDIFs

The Nova Scotia Department of Finance recently announced some good news for CEDIF Shareholders. In an effort to keep more of the \$600 million Nova Scotians invest annually in RRSP funds invested in Nova Scotia, the Province offered an additional 30% credit on Nova Scotia taxes payable for purchases in NS Community Economic Development Investment Funds.

Now, CEDIF shareholders who hold their shares for over 5 years, can roll their investment over for an additional 5 years and receive another 20% tax credit on Nova Scotia taxes payable. After holding their shares for over 10 years, shareholders will be eligible to receive an additional 10% tax credit.

In 2006 there was over \$5 million dollars invested in CEDIFs in NS and the investments span everything from Wind energy to Fair trade coffee.

For more information:
www.gov.ns.ca/finance/taxpolicy/taxcredits
reddenkj@gov.ns.ca



CEDIF Offering 2007/08

Due to the interest expressed by shareholders about further investment opportunities, Bay Wind has decided to go ahead with another CEDIF offering for the 07/08 tax season, subject to approval of the N.S. Securities Commission.

It is anticipated that the offering could be fully subscribed by existing shareholders, thereby offsetting any further dilution of shares.

Please let us know if you would like to consider further investment for the 2007 tax season.

VISIT OUR WEB SITE at: www.baywind.ns.ca

Current Contact Information

Moved? Change of Address? Please make sure that we have your current contact information so that that we can provide you with our latest information as it becomes available.

The Bay Wind Field Inc. Board Of Directors

Avril Robinson Bob Robinson Carey Edwards Doug Miller
Coral Belleveau Peter Wyman James Outhouse



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If you are interested in learning more about this rapidly emerging field of wind energy, perhaps you should consider joining our Volunteer Board. Contact any of our current members for more information.