

Ministry of the Environment
and Climate Change

Environmental Approvals
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ENV1283MC-2016-1981

August 19, 2016

Ms. Linda Heron
Chair, Ontario Rivers Alliance
Chair, Vermillion River Stewardship
linda.heron@rogers.com

Dear Ms. Heron,

The ministry received your July 11, 2016 letter via email to the Minister of the Environment and Climate Change regarding the Wabagishik Rapids Waterpower Class Environmental Assessment (Project). I am pleased to respond on behalf of the Minister.

As you are aware, the minister made a decision to deny the Part II Order requests received for the Project on May 18, 2016. In making his decision, the minister was required to consider whether the Project met the requirements of the Environmental Assessment Act (EA Act) and the Class Environmental Assessment for Waterpower Projects (Class EA).

During the ministry's review of the Part II Order requests, the ministry may contact the proponent or the requester(s) if the ministry requires more information to complete the review. In this case, the ministry met with the Ontario Rivers Alliance and Xeneca Power Development Inc. (Xeneca) and received further information during the review process.

Technical staff from the Ministry of the Environment and Climate Change (ministry) and the Ministry of Natural Resources and Forestry (MNR) were consulted throughout the review of the Part II Order requests received for the Project. Comments made by the ministry's Regional Office and MNR technical staff on the Environmental Report were considered in the review of the requests. The ministry requested further information from Xeneca on Aboriginal community consultation, effects to upstream and downstream facilities, proposed monitoring and mitigation, species at risk, and other matters identified in the letter.

In response, additional information was provided by Xeneca, such as a table of responses to requester's concerns that is available in the Project public file and the report commissioned by Domtar from Hatch consultants that Xeneca emailed to stakeholders including the Ontario Rivers Alliance on March 6, 2015. No further information beyond what was already provided during the review process was required by the ministry.

Your letter indicates that you are concerned that the Project may negatively affect the aquatic environment and water quality through erosion of the river channel and disturbance of contaminants (such as heavy metals) present in Wabagishik Lake and the bay area just downstream of the proposed Project. The information that the Ontario Rivers Alliance presented to the ministry, the Environmental Report and associated studies were reviewed by the ministry's technical staff who concluded, as documented in the minister's May 18, 2016 decision, that it is unlikely the contaminated sediment would be disturbed and transported downstream due to the Project.

To confirm the predictions made in the Environmental Report that the Project will not disturb sediment in Wabagishik Lake or downstream of the Project, long-term erosion monitoring was committed to by Xeneca in the Project Monitoring Plan. Any monitoring commitments made as part of the Environmental Assessment must be implemented and fulfilled as part of the Project.

In addition, to ensure that the aquatic environment is protected, conditions were imposed by the minister requiring Xeneca to develop a Pre-development Sampling Plan for water quality and methyl-mercury concentrations in fish tissue, as well as a Methyl-Mercury Monitoring Plan.

The ministry completed its review of the Part II Order requests for the proposed project pursuant to its obligations under the EA Act and Waterpower Class EA. The ministry's review of a Part II Order request is independent of the Feed-in-Tariff process administered by the Independent Electricity System Operator.

Based on the ministry's review of the Environmental Report for the Project, the additional information received from Xeneca and the commitments made by Xeneca for further work/studies as the project proceeds, the minister denied the Part II Order requests as he decided that the Project met the requirements of the EA Act and Class EA, and that any remaining concerns raised were best addressed through conditions. The minister's decision on the Part II Order requests is final. If the Project proceeds, the proponent is required to ensure that all applicable permits/approvals are obtained.

For more information on where to find geomorphology, hydrology, water quality, and aquatic habitat studies completed as part of or to inform the Environmental Assessment

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for the Project, please contact Mr. Mark Holmes at Xeneca Power Development directly at 647-588-9707 or by email at mholmes@xeneca.com.

For a discussion on the Waterpower Class Environmental Assessment process, please contact Paul Norris, President of the Ontario Waterpower Association, at 1-866-743-1500 ext. 22.

As the minister has decided to deny the Part II Order requests for this Project, the ministry is not recommending that the minister meet with the Ontario Rivers Alliance at this time. However, I encourage you to participate in the Project Liaison Committee required by Condition 4 of the minister's May 18, 2016 decision, which will provide the opportunity for the Ontario Rivers Alliance to keep informed of the Project as it proceeds through the approvals process, and provide any comments on monitoring results or other aspects of the Project.

Yours sincerely,

A handwritten signature in cursive script that reads "A. Corso for".

Kathleen Hedley
Director
Environmental Approvals Branch

c: Hon. Glenn Thibeault, Minister of Energy
Ms. Dianne Saxe, Environmental Commissioner of Ontario
Mr. Joe Castrilli, Canadian Environmental Law Association
EA file

