

From: MIN Feedback (MNR)
Sent: Friday, March 21, 2014 12:36 PM
To: Mitchell@shnier.com
Cc: Beaudin, Sheri (MNR); Bonenfant, Megan (MNR)
Subject: MNR5385MC-2014-321 - A Message from the Minister Regarding the Proposed Hydro-Electric Project in Bala

MNR5385MC-2014-321

Mr. Mitchell Shnier
Save the Bala Falls
Mitchell@shnier.com

Dear Mr. Shnier:

Premier Kathleen Wynne shared with me your e-mails of January 8 and February 4, 2014, regarding the proposed hydro-electric project in Bala. I am pleased to respond.

Our government is committed to expanding clean and renewable sources of energy, such as waterpower, in support of the plan to phase out coal-fired generation in Ontario.

Swift River Energy Ltd., the proponent of the waterpower project, completed the Class Environmental Assessment (EA) for the project which included extensive public and government agency consultation. Over a year ago, the Minister of the Environment confirmed that an Individual EA was not warranted and the proponent could proceed with the project, subject to other permits and approvals required.

The proponent submitted the required *Statement of Completion* to the Ministry of the Environment on January 24, 2013, identifying the successful completion of the Class Environmental Assessment process for the project.

My ministry's Parry Sound District has issued an approval under the *Lakes and Rivers Improvement Act* for the location of the facility on Crown land. Regional and district staff will review the plans and specifications for the project once submitted by Swift River Energy Ltd.

I understand that the new facility is expected to have a much higher electricity generating capacity than the facility that was built in 1929. The increased capacity relates, in part, to improvements in turbine design and technology. It would be erroneous and misleading to suggest that a generating capacity increase correlates directly to increases in the amount of flow required to produce the electricity.

The project proposal will be located on the same Crown land site as the former waterpower facility that was demolished in 1972. This site is 0.07 hectares in size. The footprint of the former hydro facility and associated structures occupied much of this site, as would be the case with the current project.

There is an assigned 911 civic address for the Crown land associated with the North Bala dam. This provides the means for emergency response personnel to attend the site in a timely way — similar to any location in the province.

My ministry continues to advise that swimming, wading or other water-based activities below a water control structure such as the Bala North dam are not advisable recreational practices, nor should they be promoted as possible tourist activities. There is a beach in the municipally maintained Jaspén Park, and I understand that it is available to the public for swimming and wading and located a short distance from the Bala Falls and away from the influence of flowing waters from Lake Muskoka.

The proponent made a commitment to maintain, if not enhance, the “scenic” flows over the north Bala Falls that have been maintained for many years by my ministry as the operator of the Bala dams. I understand that the proponent will convene the previously established public Scenic Flow Committee for at least one more meeting to identify any additional opportunities for enhanced scenic flows, such as during important tourism events.

As the owner of a constructed waterpower facility with the responsibility for the operation of the facility and the two Ministry of Natural Resources (MNR) Bala dams, it would be the responsibility of Swift River Energy to ensure appropriate public safety measures are in place as they relate to the structures and resulting flows and levels.

I understand that Bracebridge Generation Ltd. has been identified by the proponent as part of the project team responsible for operations and maintenance. This waterpower company has a wealth of knowledge and experience in the operation and maintenance of water control structures including waterpower facilities. As the owner of the Bala dams, MNR will continue to ensure that the Bala dams are maintained and operated with associated measures in place to safeguard public safety.

The Class EA and subsequent Addendum, which includes the proposed mode of operation for flows and levels, demonstrates that there will not be any significant risk to public safety or traditional in-water recreation activities below the north Bala Falls due to the ongoing operation of the facility.

The Crown land site release procedure in effect at the time when the proponent was awarded Applicant of Record for the site did not include the requirement for an Applicant to have proof of an agreement or some form of legal understanding with any existing riparian landowners. As known and further confirmed through the proponent’s Class EA and public consultation process, the proposed waterpower facility and its ongoing operation will not significantly impact any riparian or abutting landowners in the area. Any rights or ability to access water by way of private or public land will continue to exist.

With regard to your comments relative to the purported existence of a historic portage and Section 65(4) of the *Public Lands Act*, this matter is the subject of a judicial review. The Court dismissed the matter on August 19, 2013. A motion for leave to appeal was filed by the Township of the Muskoka Lakes. To date, the Court of Appeal has made no decision on this motion. As this matter is still before the Court, I can make no additional comment on this subject.

As this renewable energy project moves through the final approvals and permitting processes, I encourage you to work collaboratively with Swift River Energy Ltd. to make this project the best it can be and ensure it is a net benefit to the local community. There are many examples of communities that have benefited from a collaborative approach, including the Town of Bracebridge (the Bracebridge Falls and Wilson’s Falls waterpower projects) and the Village of South River (MNR South River Dam waterpower project).

Thank you again for writing.

Sincerely,

David Oraziotti
Minister of Natural Resources

c: Premier Kathleen Wynne