

Subject <b>Waterpower Site Release and Development Review</b>		Policy <b>PL 4.10.05</b>	New
Compiled by <b>Lands and Waters</b>	Section <b>Water Resources</b>	Date Issued <b>November 10, 2004</b>	
Replaces Directive Title <b>Water Power Program Guidelines (1990)</b>	Number -----	Dated <b>April 6, 1990</b>	Page <b>1 of 15</b>

## 1.0 DEFINITIONS

“Applicant of Record” means the individual/company/community including aboriginal community that is awarded an opportunity, through a competitive or direct site release, to pursue potential waterpower development.

“Footprint” means the generating station, dams and ancillary building(s) in close proximity (generally attached) to the station and includes the parking lot.

“Greenfield” means new opportunities for waterpower development where there is no existing water control structure.

“In Service Date” means the date that a new waterpower development becomes operational.

“Installed Capacity” means the sum of the manufacturer’s rated power capacity of all turbines making up a waterpower facility measured in megawatts (MW).

“Potentially Affected Local Aboriginal Community” means an aboriginal community within or adjacent to the tertiary watershed where the potential waterpower development will be located.

“MNR” means the Ontario Ministry of Natural Resources.

“MNR Main Office” means the Lands and Waters Branch, Natural Resource Management Division, Ministry of Natural Resources.

“Plan of Development (POD)” means a comprehensive description of how an applicant for Crown land intends to construct a waterpower facility and its associated infrastructure. See Procedure PL 4.10.05

“Policy” means the Waterpower Site Release and Development Review policy.

“Riparian Owner” means any owner of land in fee simple directly bounded (lapped) by water; or through which a body of water flows.

“Riparian Rights” means the rights of a riparian owner. These rights include:

- a) Right of access to the water;
- b) Right of drainage;
- c) Rights relating to the flow of water;
- d) Rights relating to the quality of water (pollution);
- e) Rights relating to the use of water; and
- f) Right of accretion (or loss through erosion).

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## 1.0 DEFINITIONS (cont'd)

“Site” means a reach of a river or an individual location for the purposes of this policy. The “site” will be defined on a case by case basis to allow for local flexibility when considering new site release.

“Site Release” means the completion of the process to select an Applicant of Record for a potential waterpower development opportunity. The Applicant of Record will be offered the opportunity to apply for the necessary approvals to construct and operate a waterpower facility. There are no rights or tenure associated with the offering of this opportunity.

“Waterpower Facility” means any number or combination of electrical energy producing water-powered turbines and supporting infrastructure, including pump storage facilities, reservoirs and water control structures.

## 2.0 INTRODUCTION

Waterpower has been used in Ontario for over three centuries. The first developments were used to produce mechanical power for grist and lumber mills. It was not until the late 1800’s that waterpower was used to produce electricity and hydroelectric developments were undertaken. By 1906, the Hydro-Electric Power Commission of Ontario (later known as Ontario Hydro) had been established and for the next 90 years, this Crown Corporation would play a dominant role in the development of the province’s electricity generation and transmission grid, including the development of its waterpower resources. The bulk of the province’s current installed capacity was in service by the mid-1970s.

In the past, the Ministry of Natural Resources (MNR) did not proactively identify potential waterpower development opportunities, or release these opportunities to the private sector, but rather approved small waterpower opportunities for Non-Utility Generators (NUGs). These NUGs frequently provided generation for industrial purposes, such as mills or mines, and often, the potential producer had a power purchase agreement with Ontario Hydro. These opportunities were released on a “first come, first serve basis”, with Ontario Hydro playing a significant role in application review, to ensure developments complemented other proposed development opportunities.

In May 2002, MNR acquired a lead public policy role in the identification and release of new waterpower opportunities. This change was due to the restructuring of Ontario’s electricity market, which included:

- introduction of the *Energy Competition Act*;
- associated restructuring of Ontario Hydro into five separate corporations, Ontario Power Generation being the successor generating company and Hydro One the successor electricity transmission company; and
- opening of the electricity sector to competition.

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In Ontario, the potential to increase the amount of electricity generated from waterpower arises from three sources:

- 1) **Redevelopment of existing structures:** Redevelopments of and upgrades (such as efficiency improvements, turbine upgrades) to existing waterpower facilities by the owners of the facilities;
- 2) **Greenfield Opportunities:** New opportunities for waterpower development involving Crown land where there are no existing water control structures; and
- 3) **Existing Structure Opportunities:** Redevelopment of water control structures, such as MNR dams, to produce waterpower.

The MNR supports the development of new waterpower energy through the disposition of:

- 1) Existing Crown owned water control structure opportunities (MNR will make Crown water control infrastructure available through existing processes for the devolvement of MNR facilities); and
- 2) Greenfield opportunities on Crown land.

Waterpower development usually involves Crown land under the administration and control of the MNR. The disposition and development of potential waterpower sites is governed by the *Public Lands Act* and the *Lakes and Rivers Improvement Act*. Various other statutes and regulations administered by provincial and federal agencies also govern or impact waterpower development such as the Ontario *Environmental Assessment Act* and the federal *Fisheries Act*. In cases involving Crown land, the final decision concerning the disposition and development of potential waterpower sites will be made by the MNR.

### **3.0 PROGRAM DIRECTION**

#### **3.1 Interpretation**

This policy should be read in conjunction with MNR procedure PL 4.10.05 (Waterpower Site Release and Development) and PL 4.02.01 (Application Review and Land Disposition Process) which provide more detailed direction to staff on the review of applications for Crown land for waterpower site release.

#### **3.2 Application**

This policy applies to:

- ungranted public lands (i.e. unpatented Crown land);
- acquired property which has been deemed to be public land in accordance with subsection 38 (2) of the *Public Lands Act* (including the issuance of a sale, lease, or easement);

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- lands under water which are deemed public lands under provisions of the *Beds of Navigable Waters Act*;
- the release of greenfield waterpower opportunities on Crown land, as outlined in section 4.1; and
- the development of new facilities and redevelopment or upgrade of existing waterpower facilities on Crown or private land, as discussed in section 4.2.

This policy does not apply to:

- Waterpower development within the Moose River Basin, North of Highway 11. The development of these sites may be negotiated at a later date;
- The release of Crown owned water control infrastructure. These opportunities will be made available through existing processes for the devolvement of MNR facilities; or
- Federal lands.

At this time, individual developments greater than 25 megawatts (MW) will not be considered within the basins of the Severn, Winisk, Attawapiskat and Albany Rivers.

### 3.3 Statement of Environmental Values

The MNR is responsible for managing Ontario's natural resources on Crown land in accordance with the statutes it administers. As the Province's lead conservation agency, the MNR is the steward of provincial parks, conservation reserves as well as other protected areas, forests, fisheries, wildlife, aggregates, fuel minerals and Crown lands and waters that comprise 87% of Ontario's land base.

In 1994 the MNR finalized its Statement of Environmental Values (SEV) under the Environmental Bill of Rights (EBR). The SEV is a document that describes how the purposes of the EBR are to be considered whenever decisions that might significantly affect the environment are made in the Ministry. The Ministry's SEV has been considered in the preparation of this policy, which has been developed to reflect the direction set out in the SEV and to further the objectives of managing Ontario's resources on a sustainable basis.

### 3.4 Guiding Principles

When disposing of rights to use Crown land (e.g., land use permit or licence of occupation), or interests in Crown lands (e.g. easement, Crown lease, or sale), MNR will:

- Follow effective and efficient land management, sustainable development, environmental assessment and stakeholder consultation practices. This review will include having regard for all resource and land use planning policies;
- Meet its requirements under the Ontario *Environmental Assessment Act*;

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- Consult with aboriginal communities where a disposition will result in the infringement of an existing aboriginal or treaty right, or where a disposition involves lands that are subject to an aboriginal land claim;
- Integrate consideration of the purposes of the Environmental Bill of Rights with social, economic and scientific considerations when making decisions that might significantly affect the environment; and
- Promote economic partnerships between aboriginal communities and the business and corporate sector using Crown land and natural resources as a basis for aboriginal economic development.

### 3.5 Goal

To contribute to the environmental, social and economic well being of the people of Ontario, including aboriginal communities through the provision of opportunities for waterpower development and the sustainable development of Ontario's Crown land while recognizing the MNR's mission of ecological sustainability.

## **4.0 POLICY COMPONENTS**

This policy consists of four distinct components:

- 1) Greenfield Site Release: the release of "greenfield" opportunities for waterpower development involving Crown land (See Section 4.1);
- 2) Development Review of new and existing sites on both private and Crown land, See Section 4.2);
- 3) Tenure (See Section 4.3); and
- 4) Rental Rates and Taxes (See Section 4.4).

### 4.1 Greenfield New Site Release

Greenfield waterpower opportunities on Crown land will be released through one of two site release processes:

- 1) A Competitive Site Release Process , or
- 2) A Direct Site Release Process.

An applicant can only be identified as the Applicant of Record for a maximum of three (3) greenfield sites at any given time and will be considered the Applicant of Record from the awarding of a site release opportunity until the facility's in-service date.

*Figure One* illustrates the two site release processes.

#### 4.1.1 Competitive Site Release Process

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The MNR will release sites for potential waterpower development greater than 1 MW through an applicant driven, controlled, competitive process. All Crown greenfield opportunities for waterpower, with the exceptions noted in section 4.1.2, will be released through the Competitive Site Release Process, as outlined in *Figure One*.

At a minimum, on an annual basis, the MNR Main Office will issue a call for Expressions of Interest (EOI) on waterpower sites for potential release through the Competitive Site Release Process. The EOI will be made available on the MNR website, through local District Offices and any other media deemed appropriate. Applicants must submit a complete EOI response document. The call for EOI will usually last for 30 days. Response documents must be received at the MNR main office by the final day of the EOI period at the time identified in the EOI. MNR will accept a maximum of three (3) EOI response documents from any applicant who is not an Applicant of Record (AR) for any site. If the applicant is an AR, then the number of sites submitted through the EOI process added to the number of sites for which the applicant has AR status cannot exceed three (3).

When known, MNR will post a notice on the MNR website providing information on the next/upcoming EOI cycle. Applicants can also obtain information from their local MNR District Office.

Following the closure of the EOI period, MNR will review the expressions of interest to identify any potential sites that may not be available for waterpower development due to identified resource management conflicts. (See Procedure PL 4.10.05 for further clarification.) In situations where parks or protected areas are potentially impacted, input from the local Ontario Parks Zone Office will form part of this review. Further, MNR may choose to review potential sites for release through the Renewable Energy Committee. This inter-ministry committee, co-chaired by the Ministry of Natural Resources and the Ministry of Energy, may be called upon to provide advice to MNR on the release of potential sites.

A Competitive Release Team (CRT) will be formed with representation from the MNR Main Office, MNR Regional Office and MNR District Office, as appropriate. The CRT will usually consist of at least six (6) MNR representatives.

Following the screening of potential sites to be released, MNR through the CRT will consult with potentially affected local aboriginal communities and assess the communities' willingness to consider waterpower development in the tertiary watershed. Following this initial consultation period the CRT will select sites for potential release. To support preparation of the Competitive Site Release Package (CRP) for potential sites for release the MNR will consult with potentially affected aboriginal communities. The CRT will prepare and finalize the CRP and address any issues arising from consultation as appropriate. The CRPs will be made available through local District Offices, on the MNR website and through MNR Main Office.

Applicants interested in developing any of the potential sites must respond within 120 days of the date the CRP was posted on the MNR website. The deadline for submission of the required information will be clearly stated in the CRP. All applicants are required to submit a written

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submission in the form of a Plan of Development (POD) together with the prescribed fee as defined below, however only the successful applicant's fee will be processed.

The fee structure is as follows:

>1MW to <5MW	=\$2000
5MW to 20MW	=\$5000
>20 MW	=\$10 000

MNR, through the CRT, will evaluate each POD using the established evaluation criteria, which will be identified in the CRP and will include specific scoring for, but not be limited to:

- Financial Capability;
- Technical Expertise and Feasibility.

To ensure responsible development only those applicants that have met the threshold requirements identified within the Financial Capability and Technical Expertise and Feasibility evaluation will move on to be evaluated on the following CRP components.

If applicants meet the threshold requirements they will be evaluated on the following criteria:

- Potentially Affected Local Aboriginal Community Participation;
- Response to the Site Description Package and
- Consultation, Permitting and Approvals Planning.

MNR will demonstrate a preference for projects that benefit the Potentially Affected Local Aboriginal Community(ies) through the POD evaluation process. At the end of the 120-day CRP period, the MNR will review and evaluate all POD applications. In cases where the Potentially Affected Local Aboriginal Community(ies) is not the applicant or a partner to the application, a community representative(s) will be invited to participate on the CRT. The response to the Aboriginal participation component must include agreements or proposals for all Potentially Affected Local Aboriginal Community(ies) that meet the definition for the applicant to score in this category.

Based on their evaluation the CRT will recommend to the Regional Director that:

1. a potential site be released to the applicant with the highest overall score; or
2. that the site not be released at this time. In this case, the CRT will provide to the applicant(s), the rationale for this recommendation.

Should the Regional Director accept the CRT recommendation to release a site to an applicant, that applicant will then be considered the Applicant of Record. Upon the identification of the Applicant of Record, the Regional Director can choose to:

1. release the site to the applicant to pursue development approval, or
2. release the site with conditions with an identification of deficiencies in the POD to be addressed. The release document with conditions will specify the amount of time the applicant has to address the identified deficiencies.

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The site release is not a disposition; it is the completion of a process to select an Applicant of Record for potential waterpower development. The Applicant of Record will be awarded the opportunity to apply for the necessary approvals to construct and operate a waterpower facility. There are no rights or tenure associated with this opportunity.

While there is an Applicant of Record associated with a potential site, MNR will not receive or accept applications for the same location. The Applicant of Record status is non-transferable and applies to the successful applicant identified through the Competitive Site Release Process only. An applicant can only be identified as the Applicant of Record for three (3) sites at any given time. An applicant will be considered the Applicant of Record from the release of an opportunity until the facility's in-service date.

The Applicant of Record is required to complete the *Environmental Assessment Act* requirements for the proposal prior to any authorizations or approvals being issued. Once an applicant has been awarded Applicant of Record status, they will be required to issue a *Notice of Commencement* under the Ontario *Environmental Assessment Act* within twelve (12) months. Failure to issue a *Notice of Commencement* under the Ontario *Environmental Assessment Act* within twelve (12) months will result in the opportunity being withdrawn. Further, the Applicant of Record will have twenty-four (24) months from the date they received Applicant of Record status to seek location approval under the *Lakes and Rivers Improvement Act*. The Applicant of Record will have twelve (12) months from the date approvals are issued under the *Lakes and Rivers Improvement Act* and *Public Lands Act* to initiate construction. Any failure to comply with these timelines will result in the opportunity being withdrawn. MNR may, under exceptional circumstances, extend these timelines.

Refer to Section 4.2 for project development.

#### 4.1.2 Direct Site Release Process

Applicants may participate in the Direct Site Release Process if the proposed development meets one of the three (3) tests below:

1. The proposed development has an installed capacity of less than or equal to 1MW; or
2. The development is proposed by the riparian owner; or
3. The proposed development is:
  - a) found within the basins of the Severn, Winisk (Weenusk), Attawapiskat; Albany rivers; and
  - b) is proposed by a local aboriginal community(ies); and
  - c) is 25 MW or less.

MNR will not consider applications for development within these river basins from applicants other than the local aboriginal community(ies) and/or their partners. At this time, individual developments greater than 25 MW will not be considered within the basins of the Severn, Winisk (Weenusk), Attawpiskat and Albany Rivers.



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The Direct Site Release Process is an applicant driven process. Interested applicants may submit a Direct Site Release Application together with the application fee of \$1000 to the local MNR District Office. Development proposals less than or equal to 1MW moving through the Direct Site Release Process will be reviewed to determine if the proposed location could support a larger commercial development and to ensure that the proposal is for a development of 1 MW or less. The MNR Regional Engineering Unit (REU) will work with the local District Office on this review.

Upon receipt of a completed Direct Site Release application and the \$1000 application fee, the local District Office will date stamp and review the application to ensure the site qualifies for the Direct Site Release Process. Applications that the District Office determines are not eligible for the Direct Site Release Process will be refused by the District Manager and the \$1000 application fee will be returned to the applicant. Applicants may be encouraged to participate in the Competitive Site Release Process, if appropriate. A potential applicant cannot have more than three (3) active files under consideration by the MNR at any given time; including where the applicant is currently an Applicant of Record on a potential site.

If the site is eligible for the Direct Site Release Process, the District Office will review the site to determine if the site is available for waterpower development. District staff will review existing Crown land use policy and other approved planning documents to identify areas where development could be prohibited. In situations where parks and protected areas are potentially impacted, the District Office should seek the input of the local Ontario Parks Zone Office as part of its review. The District review will also identify areas where current policies would limit or prohibit the development of infrastructure that may be required for waterpower facilities, e.g., access roads or transmission corridors.

Applications for areas where waterpower development is inconsistent with existing, approved MNR land use policies must be denied.

If the local District Office determines that the site is available for potential waterpower development, the applicant will be instructed to prepare a Plan of Development (POD). Applicants will be required to meet minimum standards related to Financial Capability and Technical Expertise and Feasibility within the POD before a site will be released. The local District Office, with support from the MNR Regional Office, will identify site description features that must be taken into consideration in the applicant's POD. (See Procedure PL 4.10.05 for further information on completing the POD.)

The applicant will have 180 days from the date specified in the instructions to submit a completed POD for review by the local District Office, Regional Engineering Unit (REU) and other programs as appropriate. Following the MNR review, the District Manager may:

1. Release the site to the applicant, now considered the Applicant of Record, to pursue development approval; or
2. Release the site with conditions with an identification of deficiencies in the POD to be addressed. The release document with conditions will specify the amount of time the applicant has to address the identified deficiencies; or

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### 3. Deny the site release.

The site release is not a disposition; it is the completion of a process to select an Applicant of Record for potential waterpower development. The Applicant of Record will be awarded the opportunity to apply for the necessary approvals to construct and operate a waterpower facility. There are no rights or tenure associated with this opportunity. While there is an Applicant of Record associated with a potential site, MNR will not receive or accept applications for the same location. The Applicant of Record status is non-transferable and applies to the successful applicant identified through the Direct Site Release Process only. An applicant can only be identified as the Applicant of Record for three (3) sites at any given time. An applicant will be considered the Applicant of Record from the release of an opportunity until the facility's in-service date.

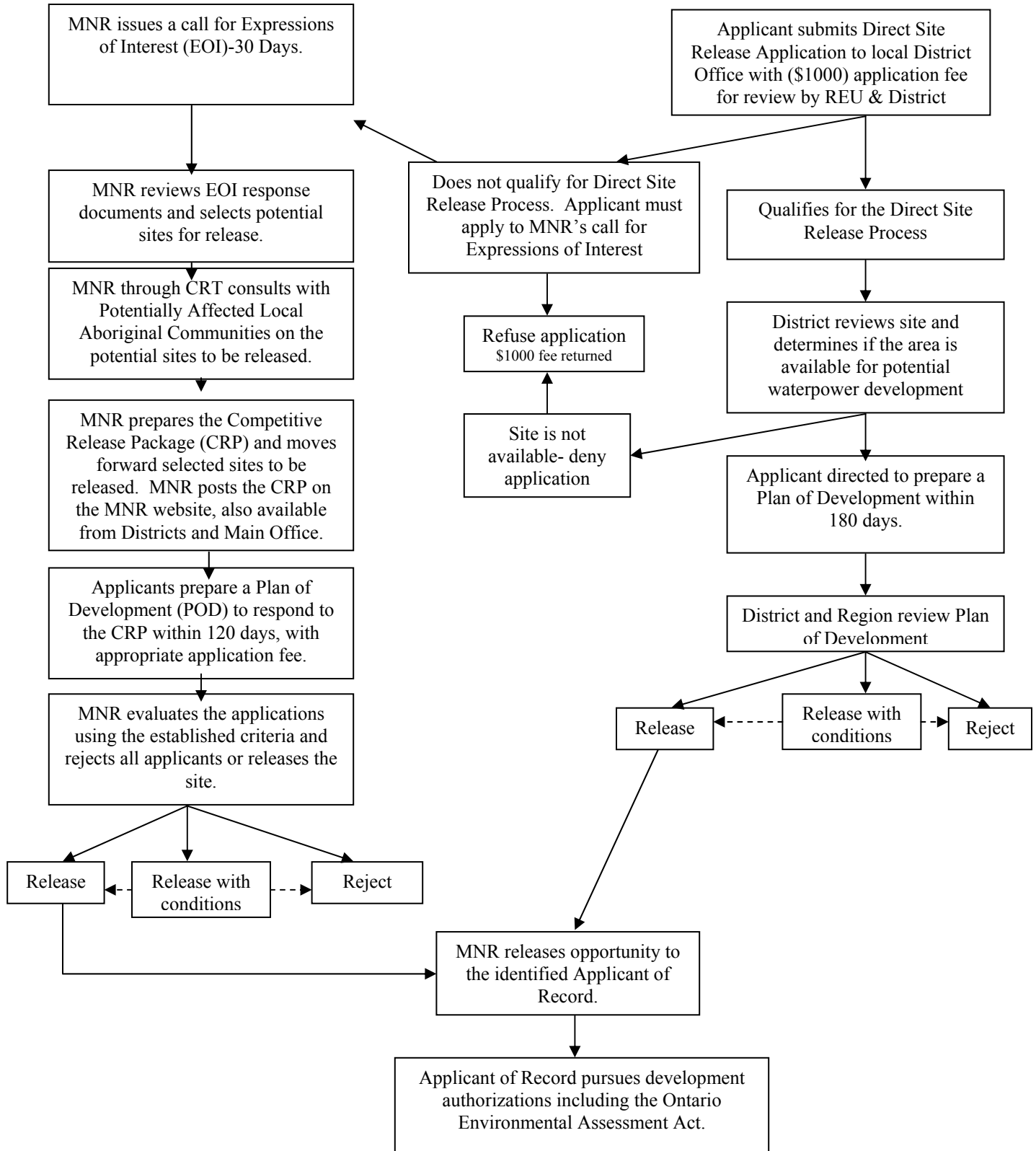
The Applicant of Record is required to complete the *Environmental Assessment Act* requirements for the proposal prior to any authorizations or approvals being issued. Applicants who are awarded an opportunity through the Direct Site Release Process will be required to issue a *Notice of Commencement* under the *Ontario Environmental Assessment Act* within twelve (12) months of being given Applicant of Record status. Failure to issue a *Notice of Commencement* under the *Ontario Environmental Assessment Act* within twelve (12) months will result in the opportunity being withdrawn. Further, the Applicant of Record will have twenty-four (24) months from the date they became the Applicant of Record to seek location approval under the *Lakes and Rivers Improvement Act*. The Applicant of Record will have twelve (12) months from the date approvals are issued under the *Lakes and Rivers Improvement Act* and *Public Lands Act* to initiate construction. Any failure to comply with these timelines will result in the opportunity being withdrawn. MNR may, under exceptional circumstances, extend these timelines.

Refer to section 4.2 for project development.

**Figure One: Waterpower New Site Release Processes**

**Competitive Site Release Process**

**Direct Site Release Process**



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## 4.2 Development Review

### 4.2.1 Greenfield Development

Applicants moving through the Direct Site Release Process or the Competitive Site Release Process will be subject to environmental review and approvals including the Ontario *Environmental Assessment Act*, the *Canadian Environmental Assessment Act*, *Lakes and Rivers Improvement Act*, *Public Lands Act*, *Fisheries Act* etc. A further component of the Waterpower Site Release and Development Review policy involves the co-ordination of information needs for the approval and construction of a waterpower project. The MNR will strive to co-ordinate all information needs and aboriginal consultation requirements into one streamlined process.

To facilitate this process an Applicant of Record will be required to meet with the local MNR District Office to discuss the coordination of these information needs.

All owners of waterpower facilities under provincial jurisdiction are required to prepare a Water Management Plan (WMP) in accordance with the approved Water Management Planning Guidelines for Waterpower. In cases of new greenfield development on systems where there is no existing WMP it has been determined that the planning process of the Ontario *Environmental Assessment Act* can meet the intent of the Water Management Planning Guidelines. . The details and process that must be followed by the applicants are discussed in Procedure PL 4.10.05.

In some instances the development of a new site will require an amendment to an approved Water Management Plan. In this case, MNR will work with the applicant to coordinate any water management planning requirements with information and/or consultation requirements of other permitting and approval processes (e.g. Environmental Assessment).

### 4.2.2 Redevelopment of an Existing Waterpower Facility

The redevelopment of existing waterpower facilities, on Crown or private land, may also require approvals from the MNR (*Lakes and Rivers Improvement Act*). Wherever possible, information for these approvals will be coordinated with the applicant's environmental assessment process. Applicants are strongly encouraged to meet with the local MNR District Office to ensure co-ordination of information needs and aboriginal consultation requirements into one streamlined process.

In some instances the redevelopment of an existing waterpower facility will require an amendment to an approved Water Management Plan. In these situations, MNR will work with the applicant to coordinate any water management planning requirements with information and consultation requirements of other permitting and approval processes (e.g. *Environmental Assessment Act*).

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### 4.3 Tenure

The importance of tenure security has been recognized as a critical issue from a waterpower development perspective. Recognizing this need, the Ministry of Natural Resources, in consultation with Ontario's waterpower industry, has developed a generic Waterpower Lease Agreement (WPLA) that provides greater security and long term tenure for applicants. This WPLA will be used to authorize most new facilities, and will replace any existing Waterpower Lease Agreements that expire in the future. The MNR will authorize new facilities with an installed capacity of 75kW or less with a Land Use Permit, if deemed appropriate.

The WPLA will be used to authorize the footprint of the waterpower facility. WPLAs are issued under the authority of Section 42 of the *Public Lands Act*, and at present, all WPLAs are required to have an Order in Council approving the terms and conditions. Before the Lease Agreement can be issued by MNR, the Order in Council must be approved, a process that can take between two (2) and six (6) months from the date requested.

The WPLA has a rolling term. In the case of a new facility this means the WPLA is issued for an initial term of thirty (30) years. After the first twenty (20) years the leaseholder is eligible to request a ten (10) year extension provided:

- 1) all terms and conditions in the lease agreement have been complied with;
- 2) the leaseholder provides at least six (6) months notice of the request for an extension; and
- 3) the MNR has no objections or concerns after conducting a review of the current situation.

If the extension is granted, the WPLA will have a term of twenty (20) years. The leaseholder becomes eligible to request another ten (10) year extension when only ten (10) years remain on the lease agreement. At all times the WPLA has a term that varies between 10 (ten) and 20 (twenty) years and is never less than ten (10) years unless an extension is refused. For existing facilities the initial term will be for twenty (20) years with the extension provisions commencing after the first ten (10) years.

Dams or ancillary buildings that cannot reasonably be included in the WPLA will be authorized with a Crown Lease. Additional flooded areas including head ponds, reservoirs, and along riverbanks will be authorized through a separate tenure document. Flooding will usually be authorized with an easement. A licence of occupation for flooding may be considered in exceptional circumstances. Access roads and transmission lines will in general, be authorized with land use permits. If desired, easements can be granted to provide the facility owner with more secure tenure for transmission lines and access roads.

Due to the need for secure tenure during the construction period and up until the WPLA is issued, the MNR is willing to provide the applicant with a Crown Lease for this interim period of time.

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MNR will authorize all new facilities in the Northern Rivers Policy area using a Crown Lease. However, the MNR reserves the right to replace these leases with a WPLA if deemed appropriate (e.g., if the electricity is being used or sold for commercial purposes).

#### 4.4 Rents & Taxes

Lessees are required to pay three charges: the water rental charge and the taxes laid out in the *Electricity Act*; and the land rents as set out in the various tenure documents issued under the authority of the *Public Lands Act*. As a result of legislation adopted to encourage development and expansion of waterpower in Ontario, effective January 1, 2001, the calculation of property taxes and water rental charges paid by waterpower facilities has been revised to a percentage of gross revenues of waterpower generating stations. Waterpower leaseholders currently benefit from a 10-year exemption on the gross revenue charges and taxes. This exemption is intended to provide an incentive to those considering waterpower development in Ontario.

##### Water Rental Charge

The water rental charge is the main rent paid by the waterpower facility owner for the use of Crown land to produce power. Facilities on private land are not subject to this charge.

The charge for the use of Crown land is dependent on the amount of power produced by the facility on an annual basis. The rent is currently set at 9.5% of gross revenue from annual generation as defined in regulation under the *Electricity Act* and collected by the Ministry of Finance.

##### Taxes

Taxes are payable on all waterpower facilities, including those situated on private land. The taxes are also calculated as a percentage of gross revenue from annual generation as defined in regulation under the *Electricity Act* and collected by the Ministry of Finance. The percentage being charged is set on a stepped scale based on the amount of electricity generated annually by the facility. In general, the more electricity generated, the higher the percentage being charged. This rate schedule is set out in Subsection 92.1(4) of the *Electricity Act*.

##### Land Rent

Land rents only apply to the occupation of Crown land and are collected by the MNR. The WPLA requires the lessee to pay a land rent but land rents are also charged for other tenure documents issued in addition to the WPLA. All land rents are set by policies issued by MNR. The annual land rent for a WPLA authorizing the footprint of the facility is set at \$1,000. The land rents for tenure documents authorizing flooding, roads and transmission lines are set by Land Management policies.

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## **5.0 DIRECTIVE CROSS REFERENCES**

PL 4.01.01 (PRO) “Obtaining Orders In Council”  
PL 4.02.01(P&P) “Application, Review and Land Disposition”  
PL 4.10.03 (POL) “Utility Corridor Management”  
PL 4.10.05 (PRO) “Waterpower Site Release and Development Review”  
PL 4.11.04 (POL) “Easements (Grant Of)”  
PL 6.01.02 (POL) “Crown Land Rental”  
Water Management Planning Guidelines for Waterpower, May 2002

## **6.0 REVIEW DATE**

Five years from the decision posting on the Environmental Registry.